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SENATE

SATURDAY, DECEMBER 20, 1930

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou who in the long ago wast born in David's town and cradled in a manger, before whom shepherds bowed and kings did homage, bringing precious gifts, make us glad with holy joy at this blessed Christmastide as there floats upon the air the echo of the heavenly antiphon, "Peace on earth, to men good will."

Lead us by Thy guiding star to the object of our quest, that in the dimpled flesh of babes we may find the secret of God's love. Sanctify our homes and shepherd all the homeless; purify our lives and gird us with humility; quicken noble thoughts and make our hearts Thy dwelling, that Thou being born again in us, we, as Thy messengers, may proclaim to all the world that hope may spring in unstained radiance from the lowliest of lives. We ask it in Thy holy name and for Thine own dear sake. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

APPROPRIATIONS FOR EMERGENCY CONSTRUCTION

The VICE PRESIDENT laid before the Senate the action of the House of Representatives further insisting upon its disagreement to the amendments of the Senate Nos. 11, 12, and 14 to the bill (H. R. 14804) making supplemental appropriations to provide for emergency construction of certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment.

Mr. JONES. I move that the Senate recede from its amendments numbered 11 and 12. This is a privileged motion. Those two amendments involve exactly the same principle. One relates to Alabama and the other to Georgia.

Mr. HAYDEN. Mr. President, will the Senator from Washington yield?

Mr. JONES. I yield.

Mr. HAYDEN. I ask unanimous consent for the immediate consideration of Calendar No. 1246, the bill (S. 5314) to amend the Federal highway act. I will ask the clerk to read the bill, which is very short.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The Chief Clerk read the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. McNARY. Mr. President, we have not had a quorum call nor has morning business been transacted. It is a very important measure that we have before us. At this particular time, without any reference to the merits of the bill, I shall ask for the regular order.

The VICE PRESIDENT. Objection is made.

Mr. BARKLEY. Mr. President, I should like to inquire of the Senator from Washington with reference to the drought-relief measure, the conference report on which was agreed to yesterday. It carries only an authorization and makes no appropriation. Unless there is an appropriation bill passed before we adjourn to carry out the terms of the measure, we have not accomplished very much in the immediate present with reference to the situation. I read in a morning paper that the Secretary of Agriculture has announced that he has the machinery set up for putting the measure into effect, and I want to inquire of the Senator from Washington if it is intended to pass an appropriation bill to give him the money which we have already authorized?

Mr. JONES. Mr. President, I reached my office only a few moments ago, having had some important matters before one of the departments to which I had to attend. The clerk of the committee advised me that he has learned that the Secretary of Agriculture states that he is not quite prepared to take up the matter and that he is not quite prepared to go to the expenditure of the money. I understand he has advised the Appropriations Committee of the House to the effect that he could not use any of this money until after the holidays, so that it is not, as I understand, absolutely necessary that we make the appropriation before the holidays if it is made practically immediately thereafter. I also understand that the chairman of the House Committee on Appropriations expects to make a statement to-day with reference to it. That is all I know about it.

Mr. BARKLEY. If that is true, what is the object of the Secretary of Agriculture in giving to the press a statement that he is now ready with the necessary machinery to carry out the purposes of the Congress with reference to this money?

Mr. JONES. Of course, I can not answer a question like that.

Mr. WATSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Indiana?

Mr. JONES. I yield.

Mr. WATSON. I had the impression—I will not say the understanding, but the impression—that it would be carried in a deficiency appropriation bill which will be brought over very shortly.

Mr. JONES. I am stating to the Senate what the clerk of the committee, Mr. Rea, told me a few moments ago. I have not had an opportunity to confer with the chairman of the House Appropriations Committee.

Mr. BARKLEY. I hope the Appropriations Committee will look into the matter and make some provision for the money before we adjourn for two weeks. We have not accomplished much if we have simply authorized the money which we now refuse to appropriate.

Mr. JONES. I am not in favor of the Senate adjourning if it is necessary for us to stay longer to make the money available, if the Secretary of Agriculture says it is absolutely necessary that it be done before the holidays.

Mr. COUZENS. Mr. President, what the Senator said with respect to the emergency measure acted on yesterday will apply equally to the bill which the Senator now seems to be in such a rush to have passed. In other words, this is only an authorization and there is no appropriation going to be passed.

Mr. JONES. Oh, no; the emergency construction bill is an appropriation bill.

Mr. COUZENS. I thought it was merely an authorization.

Mr. JONES. Oh, no; it is a direct appropriation.

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Mr. President, let me say just a word with reference to the two amendments. I think everyone appreciates the situation. We have had conference after conference. The Senate conferees have done everything they possibly could to have the two amendments agreed to by the House, but that has been impossible. The Senate is confronted simply with a situation whether we are going to allow to be held up the $116,000,000 provided in the bill for immediate relief, or not.

I regret that we have not been able to get an agreement with the House with reference to the two amendments. The Senate conferees feel that they have done the very best they possibly could. The Senate knows the situation. It is for the Senate to say whether the measure shall pass or whether it shall be indefinitely delayed because of our inability to get the House to recede from the amendments Nos. 11 and 12.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Alabama?

Mr. JONES. I yield.

Mr. HEFLIN. I want to ask the Senator if the other Senate conferees worked with the Senator to try to keep the amendments in the bill?

Mr. JONES. Yes; the Senate conferees have stood together on the matter.

Mr. GEORGE. Mr. President, I wish to ask the Senator from Washington whether the House conferees carried these two amendments back to the House and had separate votes upon them?

Mr. JONES. I do not remember seeing any account of a separate vote. They went back, of course, with the conference report, and the conference report was agreed to. I am unofficially informed that the vote was 135 yeas and 5 nays. I may say to the Senator that the last report simply involves these two amendments and amendment No. 14, so that while they may not have voted separately on amendments Nos. 11 and 12, we may say that it was practically a separate vote.

Mr. GEORGE. All the items carried in this particular bill appropriating $116,000,000 have heretofore been authorized. My inquiry is addressed to this end. Have not all the items covered by the bill been authorized heretofore by appropriate legislation?

Mr. JONES. That is correct.

Mr. GEORGE. Let me ask the Senator when the appropriation to carry out the projects which are covered by this bill would be available without this legislation?

Mr. JONES. That would depend, of course, upon the action of the Appropriations Committee and the action of Congress. In the ordinary course the appropriations would be available the 1st of next July. That is the usual custom, but we might put them, of course, in an emergency appropriation bill and make the sums immediately available.

Mr. GEORGE. So that at most the bill, if passed at this time, would have the effect of expediting the work by, say, six months if the appropriations were carried in an emergency appropriation bill and made immediately available?

Mr. JONES. That is correct.

Mr. GEORGE. Mr. President, of course the Senate knows the situation. The Senate is, of course, familiar with the fact that the two amendments were voted into the bill in the first instance and that we had a separate vote upon the amendments in the Senate when the bill was sent back to conference. I can not see why the House would lodge an objection to the amendments. I can, of course, see why the House, if it did not wish to adopt the policy expressed in the bill, might object to making any appropriation available to any State where the appropriation was made upon condition that the State matched the appropriation.

But, inasmuch as that general policy is being departed from in this bill, in fact, inasmuch as that is the primary purpose of the bill so far as the item of $80,000,000 for the construction of highways is concerned, I am at a loss to see why the House would not permit these special appropriations to the people of Alabama and Georgia to be handled in precisely and exactly the same way.

I have no disposition of course to delay action upon the bill; I am certain the Senate would not, on account of these particular items, desire to delay action upon it; but I want to ask the Senator from Washington an additional question. The Senator is aware, of course, that the appropriation for the State of Georgia, and I presume for the State of Alabama, is limitcd and will expire unless it shall be matched within the life of the appropriation. The leaders in the House announced yesterday that they would favor the continuance of these particular appropriations in the case of Georgia and Alabama at least until the States could match the appropriations. I wish to ask the Senator if that is his disposition?

Mr. JONES. Mr. President, I would certainly be in favor of that, and I want to say to the Senator, as he may know already, that in the agricultural appropriation bill that is on the way over here the House has put in a provision extending the time for another year not only in reference to Georgia and Alabama, but also with reference to South Carolina. I do not think there will be any disposition upon the part of the Appropriations Committee of the Senate to reject provisions of that kind.

Mr. GEORGE. I have been so advised, and I am further advised that the House has committed itself to the proposition that there would be a further extension if within the period fixed in the agricultural appropriation bill the States found themselves still unable to match the appropriation.

Mr. JONES. I think there is no disposition upon the part of anybody in the Senate to allow that money to come back into the Treasury simply because of the inability of the States to match it, but the disposition is to give them all of the time that may be necessary.

Mr. HEFLIN and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES. I yield first to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I ask the Senator if any effort was made by anyone to have a separate vote in the other House on the proposition affecting Alabama and Georgia?

Mr. JONES. As I stated a while ago, I know of no such effort as that except that when the last conference report went back there these two amendments and the amendment of the Senator from Michigan [Mr. COUZENS] were the only ones involved, there was a division, as I understand, the vote being 135 to 5.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Florida?

Mr. JONES. I yield.

Mr. FLETCHER. I merely want to call attention to the fact that the Senator can read exactly what took place in the House yesterday by consulting pages 1124 and 1125 of the CONGRESSIONAL RECORD.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Kentucky?

Mr. JONES. I yield.

Mr. BARKLEY. Referring to the colloquy which I had with the Senator from Washington a few moments ago, I find in the New York Times an Associated Press dispatch dated Washington, D. C., which is as follows:

WASHINGTON, December 19.—The seed-loan machinery of the Department of Agriculture was in readiness to-night to distribute to drought-stricken farmers in proportion to their needs the $45,000,000 authorized to-day by Congress as soon as the measure is approved by President Hoover.

That is, I presume, the measure we passed on yesterday.

The department has application blanks prepared in accordance with the various State laws.

A county committee, usually consisting of the leading banker and two prominent farmers, will make recommendations to the seed-loan office.

Within 24 hours the applicant is expected to be informed whether his application has been approved; and if so, the amount available.

That dispatch is based evidently on information obtained from the Secretary of Agriculture; and yet the Secretary of Agriculture knows and every Senator knows that, based on the joint resolution we adopted yesterday, the department can not pay out 30 cents to any farmer who needs money for seed. I simply read that into the RECORD in order to emphasize the fact that unless we pass some sort of appropriation in harmony with the joint resolution before we adjourn for the holidays, this dispatch, which is evidently based on information given to the press by the Secretary of Agriculture, is holding out only the hope of an appropriation within the next two weeks, and there will be no money available unless action shall be taken.

Mr. JONES. I have the very highest regard for the newspapers and for the reports which they sent out; but it has been my experience that many of those reports are not to be treated as official.

I will say, however, to the Senator that, of course, if the Secretary of Agriculture can use this money before the holidays, whatever he can use ought to be made available, and I have no doubt, if that is the case, that the House will send to us a proper appropriation bill, and the Senate committee will certainly act promptly upon it.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Alabama?

Mr. BLACK. I do not care to have the Senator yield. I simply want to make a short statement in reference to the so-called Alabama amendment.

The VICE PRESIDENT. The Chair recognizes the Senator from Alabama.

Mr. BLACK. I do not care to detain the Senate more than two or three minutes. In the first place, I desire to thank the Senate for having voted twice to include the appropriation which I asked for with reference to the flood fund in Alabama. The House has passed upon it unfavorably, and it does not seem to me that we would be justified in asking the Senate at this time again to pass upon it.

I do want to call attention to the fact, however, that this so-called emergency relief is wholly inadequate. It does not scratch the surface. For instance, consider the $80,000,000 appropriation for road construction to give immediate relief and to be divided up among all the States. What good will that do within the next three or four months in the State of Wyoming, where the ground is covered with snow? What good will it do in Michigan? What good will it do in various other Northern States, where it is impossible to work at this time? In so far as immediate relief from the road emergency fund is concerned, it is foolish for anyone to deceive himself into believing that it will extend any general widespread relief throughout the United States of America.

This measure may be heralded abroad as a great immediate relief emergency bill, and if it should be defeated, of course, it would be said that it was the defeat of a great emergency measure, which would immediately put many people to work. It would put some people to work in the South; it would put some people to work in California; it would put some people to work in those States where work can be prosecuted during the winter months; but the House by its action, which is, of course, supposed to be in line with the desires of the administration, has declared that it does not favor releasing this additional flood-relief money in the South, where it would actually be of benefit to some people who desire to work. However, Mr. President, I am not going to attempt to stand in the way of the passage of this measure with the very small amount of emergency relief it will give.

I note that the junior Senator from Pennsylvania [Mr. DAVIS] has stated, according to newspaper reports, that the President is going to recommend a $500,000,000 appropriation for the benefit of the people of this country. Of course the only information we have received concerning that is from the newspaper reports of the address of the junior Senator from Pennsylvania. It would be exceedingly interesting to Congress and the people if the President intends to recommend a $500,000,000 appropriation to afford relief to our fellow countrymen in distress, if he would let the Congress know about it.

Mr. LA FOLLETTE. Mr. President, we are about to pass the second part of President Hoover's relief program. I am in favor of the passage of this bill, as I was in favor of the passage of the drought relief joint resolution; but I wish to state for the RECORD that, in so far as I am concerned, I regard this emergency program as totally inadequate to meet the existing economic conditions in the drought-stricken States as well as in the urban centers where millions of people are suffering from the prevailing economic depression and the resulting unemployment. The administration's relief program, Mr. President, will prove to be woefully inadequate, and will tragically disappoint the falsely aroused hopes of millions of men who are trudging the streets in every city in America seeking work whereby they may save their wives and children from starvation.

On yesterday the Senate, forced by the attitude of the administration and the House of Representatives, acceded to a curtailment of the total authorization for the relief of agriculture in the drought-stricken States from $60,000,000 to $45,000,000. It should be said in passing, Mr. President, that the figure of $60,000,000 as the minimum requirement to meet drought-emergency situation was arrived at as the result of much careful investigation and an official conference in Washington held under the auspices of the administration.

Furthermore, Mr. President, in spite of the evidence submitted in this Chamber when the bill was originally under discussion, evidence which I maintain has not been refuted or controverted, we struck from that relief measure the provision that in cases of dire necessity food should be provided to the starving farmers and their dependents as well as to their work animals. As a result of the heartless position taken by the administration and the House of Representatives, this legislation assumes the perfectly untenable position that the Government will afford relief to the work animals on the farm and will at the same time permit undernourishment and its resultant diseases to afflict the families on the same farms.

Furthermore, Mr. President, the measure is not an act of generosity. Not a dollar of this money is appropriated out of the Treasury of the United States for the relief of the suffering farmers and their families. It is in the form of a loan, and, as has been stated on the floor, past experience proves that the Government has been repaid at least 80 per cent of the money thus loaned by it to meet emergency conditions of a like character.

Mr. President, we are about to pass the so-called unemployment-relief measure. The bulk of the sum of money contained in this $116,000,000 bill is the item of $80,000,000 for the construction of roads. It, likewise, is not a direct appropriation from the Treasury of the United States to assist in meeting this emergency. Every dollar of it will be saved by the Treasury, due to the reductions which the States must take in their future Federal aid for highways during the coming 5-year period.

I venture the assertion that many States, despite this emergency, will not, under the terms of this bill, desire to have a hump, so to speak, in their highway-building program. It is the experience of every State that long-time planning for the building of these highways is necessary in order that it may be done economically and scientifically. Furthermore, as stated by Senators representing some of these Western States, in their opinion many of them will not be in a position to take advantage of it.

Therefore, Mr. President, so far as the bulk of the appropriations contained in this so-called unemployment relief bill is concerned, it is, first, not a direct appropriation from the Government, and, secondly, the usefulness of this money in providing employment to people is subject to challenge.

On that very point I wish to direct the attention of the Senate to the fact that last year we increased the appropriations for Federal highway aid from $75,000,000 to $125,-

000,000; namely, an increase of $50,000,000. The additional money became available in April, 1930. Now, let us compare the figures furnished me by the Bureau of Roads under the Department of Agriculture, and let us see how many men this additional $50,000,000 appropriation actually provided with work.

In April, 1929, there were 16,200 men working upon these Federal projects. In the same month in 1930 there were 20,200; namely, an increase of 4,000 for the month of April, 1930—the first month, as I said before, in which this $50,000,000 additional became available.

In May, 1930, there were 31,400 men employed. In May, 1929, there were 26,600; namely, an increase of 4,800 in the month of May.

In June, 1930, there were 35,800 men at work. In June, 1929, there were 34,500, or an increase of 1,300.

In August, 1930, 48,513 men were at work, as compared with 40,745 in the month of August, 1929, or an increase of 7,768 men.

In September of this year there were 47,686 men at work, as compared with 38,067 in the same month in 1929, or an increase of 9,619.

In October, 1930, there were 39,787 men at work, and in October, 1929, there were 33,566 men at work, or an increase of 6,221.

I cite these figures to show that due to increased use of machinery in the construction of these Federal-aid highways, the increase in employment due to increased appropriations is, in the light of the existing situation, infinitesimal and almost futile. Only a large increase in the program could bring substantial relief. The parsimonious policy of the present administration will not appreciably help the unemployment situation.

If the experience in 1930, with a $50,000,000 increase, shows that in the peak month—September last—only 9,619 additional men were afforded work, I ask Senators how much effect they anticipate this loan or advance of $80,000,000 to the States will make upon the present unemployment situation, when I think it is extremely conservative to say that there are at least 6,000,000 men out of work?

So, Mr. President, I maintain that, in view of past experience, the $80,000,000 advance to the States for public roads contained in the measure now under consideration is worse than a futile gesture, in view of the desperate situation that confronts the country at this hour. In addition to the road-building item we find that rivers and harbors and waterway construction are given $22,500,000 in this measure.

For public buildings, as I understand, approximately $30,000,000 is made available.

Mr. President, in so far as public buildings are concerned, the figures given by Congressman WOOD are that in the last year of relative prosperity in this country, the total building projects, public and private, amounted to $7,000,000,000. It must be apparent despite the claims made for this measure, despite the amendment of its title to declare that it is for the purpose of increasing employment, the bill falls so far short of making any appreciable impression upon the existing economic situation that I say it is tragic to consider it as even a gesture toward the relief of unemployment.

As I stated at the outset, I am in favor of the passage of these measures; but I could not sit idly by in this Chamber, aware as I think I am of some of the suffering that is stalking through this land to-day, not only in the farming sections but in the industrial centers as well, without raising my voice in protest and in denunciation of this niggardly gesture toward the relief of suffering upon the part of the richest Government in the world.

Mr. President, we had a very different attitude following the stock-market crash in 1929. What did the administration and the Congress do at that time? After the President of the United States and the Secretary of the Treasury had sat idly by for three or four days while stock values were crashing on the New York Stock Exchange and the small investors, lured into the market by the unsound inflation program of the Coolidge administration and by the touting of the market indulged in by both President Coolidge and Secretary Mellon, had been trimmed of their all, many of them losing the savings of a lifetime, the administration came forward with its solution for the situation; and what was it, Mr. President? It was to take $160,000,000 of the taxpayers' money out of the Treasury of the United States and to refund it to the big corporations and the rich income-tax payers in this country.

Talk about a business administration, Mr. President! After billions in values had been deflated on the stock exchange, and after signs were evident even before the "Black Thursday" of October, 1929, that business was slowing up, we found this administration recommending, as a remedy for the situation, the gift of $160,000,000 to these great corporations and to the income-tax payers!

Mr. President, signs were evident before that measure was ever proposed which any prudent executive or legislative body would have realized gave storm warnings of a business, industrial, and financial depression.

On the floor of the Senate, Senators, including myself, attempted to resist that tax reduction. We said that it was an imprudent act to take this large sum of money out of the Treasury of the United States when the country was already on notice that a depression was upon us. The Senator from Utah [Mr. SMOOT], in response to an inquiry which I directed to him, admitted that no man could say whether or not we could make that $160,000,000 tax cut without threatening to produce a deficit in the Treasury; and yet that proposition was jammed through Congress, and $160,000,000 of the taxpayers' money given to these great corporations and to the income-tax payers. The Hoover administration and a majority of Congress showed extreme generosity to great wealth when it was in distress; and yet in this critical hour, when millions of American citizens and their dependents are sitting down at the table three times a day in this country with the specter of want as their guest, we find the administration coming forward with a program which in its total does not equal the tax reductions given to these great corporations and to the income-tax payers after the stock-market crash in 1929!

As a matter of fact, Mr. President, these two measures carry $24,000,000 less than the amount suggested by the President of the United States in his message as the amount which he was willing to stand for as the total of the drought relief bill and the so-called unemployment relief bill now before us.

The President suggested $150,000,000 for expansion of public works as a measure of unemployment relief, and $25,000,000 was recommended for drought relief, making a total of $175,000,000, whereas as the result of the position taken by the House of Representatives, which every person knows is under the control of this administration, the total of these two relief bills is $151,000,000.

We are passing these bills without the Congress of the United States having given adequate consideration to the question of whether or not they are sufficient to make any appreciable impression upon unemployment conditions in the cities or adequate to relieve the suffering in the drought-afflicted States. We are about to pass this program without Colonel Woods, the chairman of the President's employment commission, having appeared before a committee of Congress for interrogation, for recommendation and report upon the situation as he views it. All we have on which to base this program are a few glittering generalities in the message of the President of the United States and a few empty platitudes and generalities uttered upon the floor of the Senate by the so-called Republican leaders in this Chamber.

On December 15 I submitted for the consideration of the Senate certain information which had been procured by President William Green, of the American Federation of Labor, through the secretaries of the central labor bodies in cities throughout the United States. Following that I addressed a questionnaire to the mayors of cities west of the Allegheny Mountains with 5,000 population and over, on the basis of the 1920 census, the 1930 figures not being available. The junior Senator from Massachusetts [Mr.

WALSH] addressed a similar questionnaire to cities east of the Allegheny Mountains with a population over 5,000. Up until this time I have received approximately a hundred replies. I do not submit them as an adequate survey of the situation, but I say that an impartial reading of these communications will indicate to any Senator whose mind is open upon the subject that the distress in this country is much greater than has been pictured by the administration and its spokesmen.

A résumé of these letters indicates the following: Replies have been received from approximately 100 cities west of the Allegheny Mountains. I submit them as being unquestionably a reliable index of what the full number of answers to the questionnaire sent out will show, should they be forthcoming, and may I say in that connection that taking the 1920 census figures, the only figures available, and addressing the mayors of cities of over 5,000 population, I found west of the Allegheny Mountains approximately 860 cities. Therefore these replies represent one-eighth of the cities addressed.

Reports have been received from 17 cities in the State of Ohio, having a total population of 1,013,435. I may say, Mr. President, that that figure is arrived at by taking the 1920 census figures and making a 10 per cent flat allowance for the increase in urban population since 1920. I think the figure is adequate. Exact figures concerning these cities are not available at this time at the census.

Mr. President, taking that figure as accurate, the reports from these 17 cities in Ohio show an average percentage of 16.4 per cent of totally unemployed. I may explain that that estimate is based upon statistics given out by the Department of Labor that 1 in 3 out of the population is employable.

These reports as a whole also show a very definite curtailment of employment in many factories. Urbana, Ohio, for example, reports some factories closed down, others working with reduced forces and on part time, merchants in all lines of business employing as few men and women as possible. All the cities report a great increase in the number of applications for help, part of this increase unquestionably being due to applications from those who are on short-time work, as well as those totally unemployed. These increases in demands for help run all the way from 100 to 500 per cent.

Fifteen of these Ohio cities favor the Federal Government giving direct assistance in this situation, one is opposed to that program, and the other does not answer. So far as the immediate future is concerned, the mayors of 14 out of these 17 Ohio cities are extremely pessimistic, expecting large increases in demands for help as the winter comes on and grows more severe.

It is also indicated that the smaller cities not only lack the financial resources to meet the demands upon them directly from their own city treasuries, but they also have a relatively small number of people to whom appeals can be made for any large contributions for charitable purposes.

One Ohio mayor, from the small city of New Philadelphia, records the fact that while calls for aid in his city have increased 200 per cent, the appropriations which they have been able to make from the city treasury for relief have been increased only 33 per cent, while the mayor of Ulrichsville says that his town was compelled to budget for the same amount this year in spite of the demands for assistance, and that the benevolent society of the town was able to collect less than half the amount this year compared with the previous year. He concludes his reply with the following sentence:

> I thank God the Senate has wakened up, but they are 12 months late. The people will starve to death before the honorable Senate wakens up.

Twelve cities in Illinois, not including Chicago, with a total population of 177,130, show an average of 10.3 per cent in total unemployment, only two reporting no increase in demands for assistance over last year. The others run from 50 per cent to 300 per cent increase in demands for assistance. The majority report that they expect still greater demands as the winter advances. The mayor of Canton, Ill., says:

> It reminds one of Cleveland régime. People are asking for aid now that two years ago were in fair circumstances as working people go.

The majority report that they are in favor of direct Federal assistance in affording immediate relief to the unemployed.

The mayor of Chicago reports that there are 250,000 unemployed in his city, which would show, on the present basis of the population of that city, over 20 per cent totally unemployed.

In Wisconsin 13 cities reporting, not including Milwaukee, show an average of 11.8 per cent totally unemployed. The total population of the 13 cities is 217,974.

Milwaukee shows exactly 20 per cent of total unemployment. Only one town reports no increase in calls for assistance this year. The balance report increases of from 300 per cent to 500 per cent over last year. The same conditions as to short-time work, or part-time work, as one may choose to call it, prevail in the cities in Wisconsin as in the other cities reporting, this in turn curtailing the amount of relief to be secured locally for the totally unemployed.

The county of Milwaukee is practically covered by the city, and the so-called outdoor poor relief is afforded by the county. The mayor of the city states that while last year the number of families which the county was forced to maintain varied between 2,000 and 4,700, it is at the present time close to 10,000 people, or, as he estimates, with their dependents, a total number of 50,000 persons in that city are now forced to look to the county for the entire sustenance of themselves and their families.

In the smaller cities, such as Watertown, there have been over double the number of persons asking for relief, while in Racine the applications for family relief have gone from 120, in 1929, to 700 on December 1 of this year.

Ten cities in Michigan, with a population of 177,368, show 15.3 per cent total unemployment. The increase in the demands for assistance is estimated in four cities as from 33 per cent to 50 per cent, and in another four cities from 100 per cent to 400 per cent. Two cities do not answer this question.

Again the added difficulty with which the smaller cities are confronted in meeting this extraordinary situation is brought out because of the number of people working on part time. Charlotte, Mich., in an example. The mayor says:

> The present conditions in this city far exceed anything we have experienced and the available funds which are raised locally from local taxes are decreasing, due to no work.

The opinions of the Michigan mayors are almost unanimous regarding the immediate future; that is, that every indication points to matters growing worse as the winter comes on and grows more severe.

Reading the replies from Indiana, I am impressed that in some cases conditions are worse even than in Ohio. Fifteen cities, with a total population of 216,619, show an average of totally unemployed of 14.5 per cent, while the increased demands for assistance are close to 200 per cent.

The mayor of Brazil, Ind., says that the city as well as the private agencies " are unable to meet the heavy demands caused by unemployment and depression."

In Indiana one meets with the same condition of much short-time or part-time employment, which not only curtails the amount of money the town can get from its own citizens for relief but is doubtless also responsible in some measure for the increased demands for assistance.

The mayor of the city of Frankfort writes:

> I have been in this community more than 50 years, and conditions are the worst right now that I have known. We have a small army of men looking for work each day, and our limited means keep us from doing things that we would like to do during this period of unemployment.

From Louisiana there are only four reports, but if they are a fair criterion they show beyond a peradventure of doubt that conditions are worse in the South than in the other States to which I have been referring. Four indus-

trial cities in Louisiana, having a total population of over 90,000, show over 25 per cent of total unemployment. This average is brought up considerably by conditions in Shreveport, where they are, according to the mayor's report, extremely bad, there being 6,000 totally unemployed in the city and within a radius of 20 miles. The minimum average is that of the city of Lake Charles, which is 14.5 per cent. The increases in calls for help run from 75 per cent to 300 per cent over last year in the cities reporting, and all four of the cities are in favor of direct Federal relief to meet the immediate situation.

In Tennessee the situation is equally distressing. The cities of Chattanooga, Knoxville, and Johnson City, having a population of about 163,039, report 12.9 per cent of total unemployment. Knoxville reports demands for assistance eight times greater than last year; Chattanooga, 100 per cent more requests for help than in 1928; and Johnson City reports 50 per cent increase over last year. The authorities of the city of Jackson, while not reporting the number of unemployed, say they have had to handle an increase of four times as many asking for assistance as last year. The mayor of Chattanooga, in presenting the situation, said:

> If war should be declared upon this country, I hardly think the Federal Government would waste months in taking steps looking to the defense of our country. It occurs to me when our people are hungry and out of work it is the same sort of emergency that would require the elimination of red tape and taking immediate action; still, authorities at Washington fiddle while the people go hungry.

There are only two cities from Texas thus far reporting. However, I think they are extremely interesting. The mayor of Fort Worth, where the totally unemployed figures show 12.8 per cent, with an increase of nearly 100 per cent in calls for assistance over last year, comments upon the necessity for Federal aid by stating that the delay in getting it would permit people to starve to death. The city of Paris, Tex., claims that one-third of the entire laboring population in that city is unemployed, with an increase over last year in demands for assistance of 100 per cent and a prophecy that the near future will increase these demands to 400 per cent.

In the State of Iowa, largely speaking, an agricultural State, there are only six cities reporting. They show an extreme variation in the amount of unemployment, from 2 per cent in Atlantic to 40.2 per cent in Oelwein. Fort Dodge and Cedar Rapids report 100 per cent increase in demands for assistance over last year, and in both cities they expect further increases as the winter progresses. The mayor of Ottumwa, speaking of direct Federal relief, shows little confidence in getting it very promptly, saying that "the time is so short to meet the crisis that the Government wheels could not get going in time."

The mayor of Oelwein states that, as the months have gone on, people who have never asked for help have been compelled to seek it. He said:

> Many have now used up their savings and face a critical situation. Authorities working incessantly and public meeting situation nobly. Poor are helping the poorer.

It is needless to say that he favors Federal aid, although he thinks his county could meet even this issue if it was not so closely restricted by law regarding the deferring of payments for its own expenses.

There are only three reports from Arkansas. The mayors of these three cities indicate that conditions are very bad in that State. The mayor of North Little Rock says:

> Unless the Federal Government comes to the rescue of the people in the municipalities I can see nothing but a dark situation confronting the hundreds of unfortunates in the months of January and February.

He reports further that there are 3,000 people unemployed in his town, which, taking into consideration that there are less than 20,000 people there, shows a condition that I consider appalling.

Fort Smith, Ark., shows 15.1 per cent of total unemployment, with an increase of 100 per cent in calls for assistance over 1929. Referring again to North Little Rock, the increase in calls for assistance over last year was 400 per cent. Even Van Buren, Ark., which shows 5.2 per cent of unemployment, records 100 per cent increase in requests for assistance over last year. This is doubtless explained by the number of workers on part time.

There are only three reports received from the agricultural State of Kansas, but they are in line with the other reports which I have given. Wichita, a town of over 80,000 inhabitants, shows 22.6 per cent unemployment, with a 400 per cent increase in calls for assistance over last year; and this condition is in spite of the fact that the mayor states, "We have not allowed any floaters to congregate here for the winter." Topeka, the capital, with a population of around 60,000, reports unemployment figures which show 10.8 per cent totally unemployed and the calls for assistance have doubled since last year. The mayor says he is certain that the number of such calls will be greater on account of the severity of the winter. The town of Newton, Kans., reports conditions as "pretty bad," and that "things will get worse as it gets colder."

There is only one report from Missouri. The town of Independence, with a population of about 13,000, shows 8.2 per cent unemployment and an increase of 50 per cent in demands for assistance over last year.

The Kentucky reports are also meager. The city of Ashland shows a 10 per cent of total unemployment, with an increase in calls for assistance of 150 per cent. Conditions are so bad there that the mayor says:

> The American Rolling Mills are helping take care of their unemployed by assessing those who are working. Conditions are very bad and I dread to think of what it will be this winter unless some relief is given.

The city of Henderson shows 13 per cent of unemployment, with an increase of 100 per cent in calls for assistance over last year, and the mayor says regarding conditions:

> It is worse now than ever before, and we are looking for this condition to last 12 to 18 months.

There are scattering replies from a number of other States, and 90 per cent of them at this time are, I think it is fair to say, in general, confirmatory of the replies received from elsewhere. There is only one report from the State of North Dakota, also an agricultural State. The city of Minot reports 12½ per cent unemployment, with such an increase in demands for assistance that the city and county have set aside four times as much money as was used last year in an attempt to meet similar demands. The mayor ends his letter with the statement that "the prospect can not be said to be very promising."

Mr. President, I submit these reports for the same purpose that I submitted the telegrams from the central labor bodies furnished me by President William Green, of the American Federation of Labor, on December 15. I think that the attempt to minimize the situation and to convince the country that "all goes well," that "there is no suffering," that "the situation is well in hand," is a cruel injustice to the millions of American citizens who, through no fault of their own, are suffering from the tragic conditions which I submit that the telegrams on the 15th presented and the letters which I shall subsequently print in the RECORD disclose.

I have in addition a few more telegrams which have come to President Green since I submitted those several days ago and which I now wish to read for the RECORD. The first one is from Omaha, Nebr., dated December 18:

> Approximately 6,000 unemployed. Soup kitchens in operation. Conditions very bad.
>
> G. LAWSON.

> SEATTLE, WASH., *December 18, 1930.*
>
> Approximately 10,000 unemployed here. Little suffering owing to mild weather. When cold weather comes undoubtedly there will be considerable hardship. Salvation Army here doubled their capacity. There are different agencies working trying to offer some relief. Unions have established an eating house feeding their own hungry members. Locals all assessing themselves and will be able to take care of their own members.
>
> C. W. DOYLE,
> *Secretary Central Labor Council.*

> NEW ORLEANS, LA., *December 17, 1930.*
>
> Approximately 30,000 unemployed in the city of New Orleans, including all workers. Actual suffering from hunger, lack of cloth-

ing, fuel, etc., exists among the workers. Relief supplied by various agencies inadequate and does not begin to touch the enormous situation. Mayor's first unemployment committee died natural death and the present mayor's committee inactive and nothing being done of any consequence to relieve situation.

No free employment bureaus established in New Orleans, and the old employment percentage bureaus no help to situation. Our earnest hope is that you will be successful in your efforts and that Congress will recognize the necessity of immediate Federal relief for the workers of the country.

A. P. HARVEY,
President Central Trades and Labor Council.

From Altoona, Pa., which, as every Senator knows, is an important railroad center, comes the following telegram dated December 16:

Unemployed, both sexes, 5,525. Thousand dependents' applications. State employment 3,310 employment periods one day to one month. Much distress and suffering. Charity groups unable to meet conditions. Approaching winter will bring more suffering. Travelers shelterless. No provision other than police station. Charity appeals in the thousands.

JOHN F. WELLER.

From Cincinnati, Ohio, dated December 15, 1930, comes the following:

Replying to your telegram as to number of unemployed in this city, I wish to state that according to the best information available, there are at present 15,000 workers out of employment and 20,000 who are only working part time.

Distress and suffering exists among them, which the city, through its welfare department, is endeavoring to relieve to some extent by furnishing free food to them. Many organizations and private individuals are donating clothing and fuel which is urgently needed in many cases.

All labor organizations are taking care of their unemployed and the Central Labor Council has created a fund for the unemployed, accumulated from contributions from local unions as well as individual donations, which is to be used for all needy unemployed workers, organized and unorganized.

O. ZOECKLEIN,
Secretary Central Labor Council.

SALT LAKE CITY, UTAH, *December 16, 1930.*

WILLIAM GREEN,
American Federation of Labor Building,
Washington, D. C.:

Estimate 8,000 unemployed; limited amount of relief supplied by unions, charitable organizations, and churches. Widespread distress and suffering exists and can be verified by local daily papers. People are suffering from lack of clothes, food, and necessities.

JOHN MULLINS,
Secretary Salt Lake Federation of Labor.

WILKES-BARRE, PA., *December 13, 1930.*

Mr. WILLIAM GREEN,
President American Federation of Labor,
Washington, D. C.

DEAR SIR AND BROTHER: In reply to your telegram seeking information as to the unemployed here, etc., we have learned that the local poor board fed 5,000 families, averaging 5 to a family, in the month of November, 1930. Indications are that the poor board will be required to feed a larger number in the month of December.

We have no definite information as to the number of unemployed at this time. However, the mine industry here is working only half time.

The building trades here are working less than half time and there is considerable idleness and destitution generally.

Regret our inability to furnish more detailed information.

Fraternally yours,

A. R. MELHUISH,
Secretary-Treasurer Central Labor Union
of Wilkes-Barre, Pa.

NEW HAVEN, CONN., *December 14, 1930.*

WILLIAM GREEN,
President American Federation of Labor,
Washington, D. C.

DEAR SIR: Your telegram approximately 9,000 unemployed. Charity and social-service organizations are to a great extent taking care of those in need of food, but still there is much suffering from lack of clothing, shelter, and fuel.

JOSEPH J. REILLY,
Secretary New Haven Trades Council.

THE CENTRAL LABOR UNION,
Newport News, Va., December 14, 1930.

WILLIAM GREEN,
President American Federation of Labor,
Washington, D. C.

DEAR BROTHER: Answering your telegram regarding unemployment situation, etc., approximate number unemployed here is 4,000 to 5,000, about 40 per cent. Relief by Red Cross, Associated Charities, which are inadequate. Distress and suffering in large numbers from all causes; no immediate prospects of relief.

Wishing you success.

Fraternally,

CHAS. E. COLLTRAN, *Secretary.*

NEW LONDON, CONN., *December 15, 1930.*

WILLIAM GREEN,
President American Federation of Labor:

About 900 unemployed in New London. About 98 per cent building-trades men unemployed. No suffering as yet. Only relief is by city charity and committee by chamber of commerce (donations).

FRED L. WILLIAMS,
Secretary Central Labor Union.

BUTTE, MONT., *December 18, 1930.*

WILLIAM GREEN,
President American Federation of Labor,
Washington, D. C.:

About 6,000 men employed part time in Butte. About 3,000 out of work. Associated Charities trying to look after distress. Joshers Club have 1,350 applications for Christmas baskets of food. No other relief work.

JOHN VICKERS,
Secretary Silver Bow Trades and Labor Council.

SAN ANTONIO TRADES COUNCIL,
San Antonio, Tex., December 16, 1930.

WILLIAM GREEN,
President American Federation of Labor,
Washington, D. C.

DEAR SIR AND BROTHER: Your telegram of December 10 asking information as to the unemployment situation was duly received, and after some foraging I find that Mayor Chambers, of the city of San Antonio, estimates that there are 25,000 unemployed here. Of course, many of these are Mexican cotton pickers that center here before and after the cotton crop has been harvested. At present these field hands here are judged to be around 20,000.

The Randolph Field development has brought in many of the skilled trades, mostly nonunion, displacing many of our home men and adding to the local unemployment situation.

There are various charity moves for relief in progress, but organized labor is digging into its own treasuries and taking care of the needs of its individual members. There are no bread lines here. The Mexicans are taken care of through political favor, contributing largely to the machine vote. The Rotary Club abandoned its usual Christmas tree and gifts, as the children responding consisted largely of Mexican and Italian citizenship.

Due to its climate the conditions in San Antonio do not appear to create the gloomy impression that would exist in other cities where the weather is colder and more disagreeable.

Business conditions in San Antonio appear to be very poor. There is some building going on that was started some months ago. Future prospects, outside of Randolph Field, are not so promising.

Building trades appear to be suffering the worst. This applies particularly to the carpenters and painters. Plumbers claim 18 idle members out of 170. Printers have about 20 out of 180 out of employment.

The city is being overcrowded with workers going and coming from the West. Most all of them "panhandle" around the labor temple. There has not been reported any cases of distress amongst the local membership that has not been taken care of by the local unions.

The printers will give a $5 gold piece to everyone of its members on the pension list. The electrical workers will give their unemployed a basket of groceries for Christmas. The plumbers will take $500 out of their reserve fund for Christmas relief amongst their members. Carpenters will have a Xmas tree for their children. We are trying to keep away as far as possible commercialized charity and refusing to cut our day's pay for any scheme that is not considered a charity.

Yours very truly,

WM. L. HOEFGEN, *Secretary.*

Mr. President, I regard this so-called relief program, sponsored by the administration, woefully inadequate to meet the situation which faces the country. While the letters and telegrams I have submitted for the RECORD must be taken as merely an indication of what conditions are in some of these communities, I submit that they are a complete refutation of the position taken by the administration and its spokesmen upon the floor of the Senate "that there is no distress and suffering stalking abroad in the country to-day."

It seems to me perfectly obvious, Mr. President, that if the Federal Government is to discharge its responsibility in this situation it must do two things: First, it must make available a sufficient sum, to be expended either through the Red Cross or through some governmental agency, to afford direct assistance to communities the citizens of which, as

these letters and telegrams show, are doing all within their power to meet present extraordinary conditions, but are, in all too many instances, utterly failing to prevent serious distress, hunger, privation, and want.

Secondly, Mr. President, it is perfectly obvious that the so-called unemployment relief which we are now about to pass is but a drop in the bucket. I think I have shown, from the figures I have quoted concerning the expansion of employment in road construction last year, that the appropriation for work on the highways is largely a futile gesture. If the Federal Government is to meet this emergency, if it is to contribute appreciably to the relief of unemployment throughout the United States, then our public-works program must be tremendously expanded.

Mr. President, I express the hope that when Senators go home, as many of them will, to their own States during the holiday recess they will ascertain for themselves the actual conditions. If they will do that, then I can not doubt, Mr. President, that they will come back when Congress reconvenes after the first of the new year determined that, in so far as this body is concerned, it will meet and discharge its responsibility to the millions of innocent victims of this economic depression, and that, at least, the Senate of the United States will not be less generous to millions of toilers in distress than it was to the great corporations and the income-tax payers when the stock-market crash occurred in 1929.

Mr. President, I ask unanimous consent to have printed in the RECORD numerous letters from mayors of cities in response to the questionnaire which I sent out, and I ask unanimous consent further that in printing the replies to the questionnaire the question contained in the questionnaire may be printed preceding the answer of the mayors in each case.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The letters referred to are as follows:

ARKANSAS

NORTH LITTLE ROCK

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

DEAR SIR: In reply to your questionnaire of December 13 relative to the economic conditions in this city, I will state that there are approximately 3,000 men out of work in this city. I am heartily in favor of the Federal Government coming to the rescue of the municipalities in this crisis.

The city government of the city of North Little Rock, Ark., is being taxed to the utmost in trying to provide food and clothing for the hundreds of destitute people who are standing around pleading for aid. The records of this city will show that the city has been called upon to increase its charity appropriations approximately 400 per cent.

Unless the Federal Government comes to the rescue of the people in the municipalities, I can see nothing but a dark situation confronting the hundreds of unfortunates in the months of January and February.

The city of North Little Rock has established a social welfare bureau and has been appropriating money out of the general fund for medical attention, groceries, clothing, and to some extent shelter.

Again let me heartily indorse your movement for the Federal Government to appropriate a sum of money that will help this city of North Little Rock feed hungry American citizens.

I trust that this is the desired information. With best regards to you.

Yours very truly,

ROSS L. LAWHON, *Mayor.*

FORT SMITH

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of December 13 received, relative to the economic condition in our city and trades territory.

Beg to advise you that conditions, as I see them, are as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 1,600 men are out of employment in our community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The increase our city government is called on for aid over last year and two years ago is about 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. It has become necessary to double the appropriation for relief over and above unemployed over last year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Without a doubt in my mind, there will be twice the number requiring relief during the winter months over what we had to take care of last year.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance from the Federal Government would be greatly appreciated and would lessen the burden on the local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. In regard to relief that is extended by private relief agencies: The welfare association, Red Cross, Salvation Army, American Legion, community chest, and the various lodges and church organizations are all taxed to their limit, the demand being much larger than the funds available.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I am in favor of the Federal Government appropriating their share with the city and State governments if we can not get relief elsewhere.

Fort Smith is a community of business locations with few millionaires. The type of work here is that that requires and demands a nominal wage. On account of the general business depression, it is impossible for the factories to continue operating, causing a large part of the employees to be laid off indefinitely, pending better business conditions.

My opinion and suggestion is that the Government could greatly benefit this community by appropriating about $250,000 for the purpose of changing the Arkansas River channel, which has caused erosion of the banks, cutting in toward the Poteau River which furnishes the supply of water for our city.

The land lying between the Arkansas and Poteau Rivers is in the shape of a peninsula, extending about 10 miles away. The Poteau empties into the Arkansas adjoining our city. The narrowest point between the two rivers is about 10 miles from the mouth of the Poteau River where it empties into the Arkansas River. At this place they are separated only about 3,000 feet. There has been such erosion of the banks of the Arkansas that it will not be long until the Arkansas cuts through to the Poteau. If it continues as it has in the past, in the next four or five years the Arkansas will cut a channel through the bottom land and connect with the Poteau, thereby destroying our splendid soft-water supply and putting to ruin thousands of acres of as fine farm land as there is in the United States, which will be a big calamity to our community.

The appropriation I speak of would not be a charity proposition but would enable us to put the unemployed laborers to work and give them employment. I would a great deal rather the Government would make this appropriation than to give funds for charity.

One of our main highways leads through this bottom land between these two rivers. It has cost many thousands of dollars to build it and if the river cuts through it will destroy this highway completely.

If you can get us relief toward getting the Government to make this appropriation, it will be greatly appreciated by the entire community and a personal favor to me.

Yours truly,

FAGAN BOURLAND, *Mayor.*

VAN BUREN

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: Replying to yours of December 13 regarding assistance from the Government.

1. Approximately how many people are unemployed in your community?

Answer. About 100 unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 100 per cent over last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. About 100 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Around 150 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Welfare association. About $125 per month, more than twice as much as last year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Think it would be a good thing if it can be handled.

8. A brief statement of the general situation in your community.

Answer. The situation looks pretty blue, but think it could really be worse. People seem to realize the situation and are trying to make it through in the best way possible.

Very truly yours,

JOE C. MCKINNEY, *Mayor.*

ILLINOIS

LITCHFIELD

DECEMBER 14, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
Washington, D. C.

DEAR SIR: Replying to your letter of 13th instant with reference to relief for unemployed.

The following will answer your questions in the order contained in your letter:

1. Approximately how many people are unemployed in your community?

Answer. Two hundred twenty-five

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. On account of financial limitations the city government has never been able to take care of relief work. This has been taken care of by the county to the best of its ability, but its funds are hopelessly insufficient.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. See No. 2.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. See No. 2.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Any relief extended by the Federal Government will doubtless lessen the burden on the taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Previous to this year relief was limited to what could be done by the fraternal orders and the Woman's Club. I do not know the amount of relief extended in dollars, but this year all relief is being taken care of through a central agency and I feel sure that three or four times as much value in dollars is being distributed.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. At a meeting held yesterday it was brought out that with the very best that this community could do only about half the necessary funds could be provided to adequately take care of the desperate needs of the poor and unemployed.

8. A brief statement of the general situation in your community.

Answer. We have raised $3,000 in cash in addition to clothing and other donations. We are insisting on those who are able to work working on the streets to pay for the food that is furnished, but we are without the necessary funds to give over about five men a day employment in this connection; this in addition to the regular quota of street labor. Any aid extended by the Federal Government should be made available at once.

I trust that I have given you the information desired, and if there is further information necessary please do not hesitate to write me.

Yours very truly,

H. E. KENNEDY, *Mayor.*

CHARLESTON

DECEMBER 16, 1930.

1. Approximately how many people are unemployed in your community?

Answer. One thousand.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Five hundred.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. $12,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Five hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Five hundred per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

Have furnished employment by spending $12,000 in repairing city streets.

DR. C. H. HARWOOD, *Mayor.*

CHICAGO

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SENATOR: I am in receipt of your questionnaire of December 13, and in reply will say:

We have in Chicago about 250,000 unemployed. I have kept at work during the summer, on public improvements, 150,000 men. These improvements were finished recently, and these men are now part of the 250,000 unemployed. The people of Chicago approved bond issues, which the city council and the mayor submitted to them November 4 last, for $20,000,000 for further public improvements. I am pressing all department heads of the city to get these improvements under contract at the earliest possible date, but some of them must wait until spring.

The city government will spend about $100,000 extra on relief. Our county, which is literally the city, will do likewise. Public-spirited citizens are attempting to raise $5,000,000 and have raised $2,000,000. The Federal Government could put hundreds of thousands of men to work if it would expend the money that has been appropriated for public works. I assisted in the passing of the waterway appropriation bills and the $340,000,000 Mississippi flood control bill, both of which were signed by President Calvin Coolidge and neither of which has been expended as the act of Congress permits. Senator NYE, of North Dakota, assured me that he would join with others to cut the string on the $340,000,000 flood-control appropriation, which provides for the expenditure of this fund over a period of 10 years, and with the string cut, through an amendment to the bill, it could all be expended with great economy to the Government next year. This matter will be placed before the flood-control conference which will be held in the gold room of the Congress Hotel, Chicago, January 12 to 15, which I hope you will be able to attend and make an address. A formal invitation will be sent to you this week.

As stated above as to what private agencies are doing in Chicago and the money they are raising, it represents the increase over last year and the year before when it was unnecessary to have such a fund.

I inclose herewith copy of an editorial which I believe represents a great fundamental principle which must be decided by this Nation; or, in other words, shall we permit the vicious circle in the United States of America to create in the United States a condition similar to the dole system of England, where, if they continue it, it will wreck that nation financially, and, as I understand it, if they don't continue it, it will create a revolution.

I don't believe in misapplied charity, but I do believe in meeting these emergencies and particularly this one which I feel was carefully planned and conceived and well carried out, to milk this Nation financially white in the interest of Europe and to the detriment of our people, and, believing that this was the policy of those who controlled the last Republican National Convention, I voted my 12 delegates on every roll call for Calvin Coolidge and refused to join in the conspiracy that I believed was being carefully and forcefully assisted and promoted by the international bankers who controlled the last Republican National Convention.

I congratulate you on your stand and your able platform of principles as presented by you in the convention, but I have a bone to pick with you, Senator. I hope that some day we may be able to sit down and talk it over, and that is the position taken by the State of Wisconsin, through your attorneys general and other public officials, Wisconsin's desire to prevent the Sanitary District of Chicago from withdrawing sufficient amount of water from Lake Michigan to insure a navigable head of water in the Mississippi River at all seasons of the year. Wisconsin's contention is based, in my opinion, on falsehood, and, in my opinion, there is no engineer who lives who has or will make the statement that water drawn from Lake Michigan in the manner referred to above has lowered the level of Lake Michigan 6 inches in the 20 years that this water has been withdrawn through War Department permits. To me Wisconsin's public officials are fighting the prosperity of their own people by denying them a navigable stream to reach the seaports of the world at $7 a ton water transportation for their farm and factory products.

I believe that when the steamboat whistle from New Orleans blows in Chicago, heralding for the first time the opportunity of shipping Chicago's manufactured products by barges on a 9-foot draft canal, that Chicago will double in population, so will Illinois, and so will all the manufacturing cities of Wisconsin and so will the State of Wisconsin. It is beyond me to understand why the officials of Wisconsin will oppose that which will create for them such prosperity.

The Mississippi Valley is competent to take care of 500,000,000 people. It has in the neigborhood of 50,000,000 in population. To make that 100,000,000 is not a very hard proposition, and when you double the population of the valley, you in a large measure solve the farm problem through the consumption of the products required by this added population.

My grandfather helped build the little Illinois-Michigan Canal which made it possible to ship wheat from central Illinois and the valley to Chicago by canal boats. The arrival of this wheat by this method was the toxin for the quadrupling of Chicago's business and increased population 500 per cent in two years—1848 to 1850.

Those presenting this bunk and who are serving the Canadian water-power interests by attempting to stop the flow of the small amount of water into the Mississippi from Lake Michigan could serve those same interests more effectively if they would understand that the Federal Government could build a controlling works at the outlet of the Lakes for less than $3,000,000.

The present adversity throughout the Nation could be corrected by the proper development of the Mississippi River Valley and its tributaries, and no State in the valley would prosper more than Wisconsin, because your State not only enjoys having the Mississippi as your western border from one end to the other, but the Chippewa and other rivers give lateral access to a large part of the central portion of your State.

To be more brief, why comes the howl from Wisconsin about Chicago diverting a small amount of water, which Wisconsin claims lowers the lake levels, when these levels could be maintained at their present high stage and even higher by the Federal Government making the expenditure referred to above and controlling lake levels for all time. When this job is done, as it will be some day, please God, the jobs will hunt the men and the men will not hunt the jobs.

We recently dedicated the Damen Avenue Bridge in our city. One of the foundation piers of this bridge occupies the site on which Father Marquette camped in 1674 in his pilgrimage from Lake Michigan via the Chicago, the Des Plaines, and the Illinois Rivers, from the Lakes to the Mississippi Valley. He and Louis Joliet reached France and advised the King of France to favor this waterway upon which Chicago has spent $80,000,000 of the taxpayers' money creating a sanitary and ship canal from Lake Michigan to Lockport, the State of Illinois $20,000,000 more to build a link from Lockport to the Illinois River, or $100,000,000 all told, and we have had considerable of a struggle to secure from the Federal Government a $7,500,000 appropriation which has become necessary through the neglect of several of Illinois' governors to carry out the will of the people as indicated by their approval of the $20,000,000 bond issue over 20 years ago, and the increased cost as estimated by the original engineers, of $20,000,000, made it impossible to complete the project without help from the Federal Government to the extent of $7,500,000.

George Washington is on record favoring this waterway. Abraham Lincoln built a raft and floated down the river and, as a Member of Congress and as President, favored this waterway. Theodore Roosevelt wanted to move the machinery from the Panama Canal, when it was completed, to the Mississippi Valley to build this waterway, which effort was thwarted. President Taft was for this waterway, but it hasn't been built. Why? I believe the reason is that this water transportation of the products of the valley would be the greatest arm of defense that the Nation could create. That idea, I take it, would be displeasing to the foreigners who influence our Representatives, and I believe the answer to my question as to why it has not been done is because it would prevent the creation of the dole system in America.

The money has been appropriated for this important project, but the work is not being done in the manner in which it should be. An apology, through lack of activity, is about all that the Federal Government can show. It is said that the money is not available until next year. I have answered: "I will raise the $7,500,000 and place it at the disposal of the Government if the Government will agree to reimburse those who lend the money to make it possible to do the work now." To that there is no answer; or, in other words, the Government, in my opinion, takes the same position as the Governor of Illinois, who has $25,000,000 in the road fund and is hoarding the same, and will have $25,000,000 more within the next 60 days, and he could let contracts amounting to $50,000,000 for good road projects and put thousands of men to work, but this he does not do. In lieu thereof he begs for charity to give soup to those to whom he could give jobs if he was not in favor of the program that the Federal Government pursues—conversation, hot-air committees, and no action.

I have admired you for years for your courage and your Americanism. I would like to know you better and would welcome an opportunity for you and me to pick this bone that I feel we have and have a better understanding.

I have ridden your State many times. I have talked much with your farmers and storekeepers in the rural districts. I have asked them this question: "What is farm land worth around here?" And the answer has been: "A hundred dollars to $125, depending upon the improvements." Question: "It is a great dairy country?" The answer is: "Yes, sir." Question: "How much butter do you sell in California?" Answer: "None." Question: "Why?" Answer: "Because of transportation." Question: "If your public officials help me make the Mississippi River navigable and you could ship your butter by water to California for $7 a ton, how much Australian butter now shipped 7,000 miles do you think California would use?" "In other words, if Wisconsin butter takes the place of Australian butter in the State of California, isn't it fair to presume that land in Wisconsin will be worth $200 an acre, because of the demand for your dairy products?" Answer: "Yes." Question: "Then, why in hell do you vote for public officials who want to keep your land worth a hundred dollars an acre?" Answer: "We won't any more."

The Governor of Minnesota was opposed to the Mississippi waterway. He is a private citizen, beaten by over a hundred thousand. I want to see the La Follettes stay in office, because of the good they do the Nation. That is the reason I am speaking so frankly.

Last week, when I left the health resort at Wedron, Ill., some 95 miles southwest of Chicago, I drove in my automobile 40 miles south to Utica on the Illinois River, which is the junction of Chicago's waterway with the Illinois River. Because of the 150-foot drop from Lake Michigan to the Illinois River it is necessary to complete five locks. I visited every lock. Most of them cost a million dollars or more and can pass through, with one locking, barges with a carrying capacity of the tonnage of 12 freight trains combined, which you know is economical transportation. I was amazed to see how nearly completed this waterway is. Every lock is finished excepting the Joliet Lock, which is about half completed and this work can be finished within six months and this waterway can be in operation. The Federal Government now talks about two years. That probably means 20 years, and it could be done in six months.

Hoping that you will come to the Chicago conference in January and that Wisconsin and Illinois may cooperate in the future for the good of our people, I am,

Very cordially yours,

WM. HALE THOMPSON, *Mayor.*

MOUNT CARMEL

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
Washington, D. C.

MY DEAR SENATOR: Yours of December 13, regard to the unemployment situation in our city, received.

Within the city limits of Mount Carmel, a population of approximately 7,000 people, there have so far been a little over 400 registered for employment.

This condition is more serious than ever before, caused by the closing down of a garment factory that worked approximately 300 people and the Big Four Railroad shops turning off possibly 250. We have been trying to get these factories to work part time, but so far have not been successful, and the demand is greater than through our regular channels we have been prepared to supply. As you mentioned, the assistance from the Federal Government would certainly be a great relief.

We are getting organized and trying to furnish as much relief as possible among our people here. While it is true that there are numerous drains on people from various sources, if the Federal Government is rendering aid, we would appreciate its assistance here.

My idea would be that a reasonable amount be appropriated each month for the months of January, February, March, and possibly April, these amounts to be turned in only if necessary; and should the Federal Government see fit to assist in this campaign, I assure you it will all be used for a good cause.

Yours truly,

JOHN COLEMAN, *Mayor.*

DIXON

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

HONORED SIR: Replying to inquiry with regard to unemployed, will say that we have no exact list of the unemployed in Dixon, but by the cooperation of county and city have been able to care for everyone so far. We are in hopes of continuing to do so throughout the winter. We have a good-fellows fund and committee, many of the churches are taking care of their own needy, and on the whole we are in good shape.

Very truly yours,

FRANK D. PALMER, *Mayor.*

ELGIN

1. Approximately how many people are unemployed in your community?

Answer. Five hundred and sixty-two.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. We had no registration last year; no need.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. None last year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Ten per cent per month.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. No; our fund is voluntary donations from citizens.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. None last year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments

the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. Elgin citizens will be cared for by Elgin citizens.

DEAR SENATOR: The great floating population—tramps, hoboes, wanderers, and men looking for more suitable surroundings—together with those honestly seeking work is the problem which needs serious thought.

EARLE R. KELLEY, *Mayor.*

BEARDSTOWN

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

DEAR SIR: We acknowledge receipt of your letter of the 13th, and answering your questions according to number would say as follows:

1. Approximately how many people are unemployed in your community?

Answer. The approximate number of people unemployed in this community, as shown by registration taken by the Beardstown Chamber of Commerce, 257.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Number of persons whom the city government is called upon to aid, increase over last year, 50 per cent, and of two years ago, 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city will find it necessary to make additional appropriations over last year of approximately $1,000, and of two years ago, $500.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The estimate of increase in number requiring relief during the winter will probably reach 50 to 60 people.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government to extend relief, if given outright to the city, would aid to lessen a small increase in tax rate to the local taxpayer; but if the Federal Government offers to loan the city and expects it to be returned with interest there would be no benefit derived by such relief, nor would it aid the taxpayer.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Relief is being handled by the Chicago, Burlington & Quincy Railroad, which has large shop interests here, they furnishing groceries and coal to the unemployed formerly their employees. The city and other charitable institutions are taking care of the unemployed not formerly employees of the Chicago, Burlington & Quincy, and these demands have increased 100 per cent over last year and probably 50 per cent over two years ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. We favor the Federal Government appropriating a sum of money that will share with the city and State governments, such appropriation the President to have control over in the shifting of the funds from various funds, if such appropriations should be given to the city, the Government not requiring that these appropriations be repaid to the Government with interest.

8. A brief statement of the general situation in your community.

Answer. General conditions are no better than they were four months ago, and there will be very little improvement in general conditions in this community until after the 1st of July, 1931. We believe that during the months of January, February, and March will be the hardest months, and that there will be a larger delinquency in the payment of taxes in the year 1931 than shown in the year 1930.

Sincerely yours,

F. M. CONDIT, *Mayor.*

DE KALB

DECEMBER 15, 1930.

ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

HONORABLE SIR: Answering your letter as inclosed by number:

1. Approximately how many people are unemployed in your community?

Answer. Only 35 as near as we can check.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. None.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Only slightly. Have a community chest in addition to other organizations that do private work. Our city as a municipal organization does not appropriate any funds for relief work.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Do not think there will be any increase.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Any relief from Federal Government would be accepted, but as far as our local conditions are concerned do not believe it would be justified unless conditions grow worse.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Salvation Army and Goodfellowship Club are helping those in need. Little increase over year ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. The writer would not favor Federal Government assisting State and city governments unless conditions approach a point of absolute necessity. It would involve a lot of expense and extra cost on the Federal Government that would come from the taxpayers, and the same taxpayers are carrying the State and city loads.

8. A brief statement of the general situation in your community.

Answer. Our chamber of commerce is keeping in touch with our local conditions. A thorough check-up reveals the condition that we are not as bad off as a lot of other places. Some local building has been going on most of the year, so it has helped to take up the slack. Needy families are being taken care of as soon as they are found out.

Very truly yours,

G. N. BLACKMAN, *City Clerk.*

JACKSONVILLE

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received your communication of December 13 with eight interrogatories relative to unemployment.

1. Approximately how many people are unemployed in your community?

Answer. We had registration extending over one week, after due notice given to all persons who desire relief or were unemployed to register. We had 282 registrations, including men and women.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons unemployed in the community is no greater than it was one and two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city never has made an appropriation to take care of indigents and has no appropriation at this time.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. I am of the opinion that the increase over last year will be very little, if any.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I think we will not need Government help, as our city is amply able to take care of its indigents.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have a social-service organization, Red Cross, and Salvation Army, who look after the indigents of this community, all working under an organization known as our "budget committee."

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I do not favor the Federal Government appropriating money to be used for work of this kind, except in cases of very extreme need.

When the framers of our Constitution gave to Congress the power to raise money by taxation, etc., for the good of the Government, I don't think it was ever contemplated that the Government would ever drift into a paternal Government and collect money for the purpose of distributing it, except in very extreme emergencies. I do not feel that that emergency has arisen.

All of the newspapers and magazines have gone wild on the question of unemployment. In a few of the big centers there is an unemployment that is bringing some distress. This sentiment has filtered down to the most sparsely populated communities, and it seems that everybody is now looking for financial assistance, instead of having a disposition to take care of themselves. If the material men and the manufacturing institutions would keep their employees going and sell their products at the minimum of profit, there is no question but that there is plenty of money in the country to buy those products; but so long as merchants will keep their stock of goods on their shelves at the old-time war prices and discharge their clerks there will be a business depression.

The Government, cities, and municipalities are contemplating a large program of construction, and it will be seen that material

men will immediately raise the price of their materials for construction above what it was last year.

It is going to be hard to break this deadlock unless, beginning at the top, it works itself down so that people will spend their money.

Yours very truly,

JOHN J. REEVE.

MATTOON

DECEMBER 17, 1930.

DEAR SIR: I think the general condition of Mattoon is not so serious as some think. Several of our business men are donating freely. The churches and lodges are doing fine. The united charities are doing a good job. If I have not answered the questions satisfactorily, write me again.

1. Approximately how many people are unemployed in your community?

Answer. Five hundred.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Two hundred.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We can not increase.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. None.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. By donations of united charities; $3,000.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I do; I think it would be the thing.

Sincerely yours,

S. A. HUGHART, *Mayor*.

MARION

DECEMBER 16, 1930.

1. Approximately how many people are unemployed in your community?

Answer. Three hundred fifty.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Three hundred per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Approximately three times.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. One hundred per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Charity only. Only slight.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. A coal-mining community. About 25 per cent of coal miners employed. No factories or other industries to absorb excess labor due to nonemployment in mines.

E. M. THURMOND, *Mayor*.

CANTON

1. Approximately how many people are unemployed in your community?

Answer. About 350.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. About 100 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. About 100 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Sure.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Coal, clothing, and food; an increase of over 100 per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Reminds one of Cleveland's régime. People are asking for aid now, that two years ago were in fair circumstances, as working people go.

HOMER WHALEN.

DECATUR

DECEMBER 17, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: Your letter of December 13 inquiring about unemployment conditions here relative to financial relief measures in Congress is received.

1. Approximately how many people are unemployed in your community?

Answer. We have approximately 60,000 population and 2,000 unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons in the city government called upon to contribute toward their aid has increased approximately 100 per cent over last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city has not increased its appropriations over last year; our budget is made up beginning with May 1 of the fiscal year, and we are drawing to some extent upon our contingent fund budgeted at the beginning of the fiscal year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We will at least have 2,500 requiring assistance before the winter months end.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The Federal Government could aid very materially in the road building or other Federal structures, and personally I would favor an immediate payment of the soldiers' bonus by bond or otherwise. This would not only help the veteran but would stimulate business generally in the community and would consequently lessen the burden upon taxpayers generally.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Relief committees—financial, unemployment, and emergency—are cooperating with the social agencies in disbursing relief funds.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Inasmuch as most municipalities are without funds other than operating expenses and are limited by statute from greater levies and expenditures, I can think of nothing more effective than for the Government to assist in this relief program in such manner as may appear expedient.

8. A brief statement of the general situation in your community.

Answer. This city has just completed a $600,000 sewer system, which furnished considerable employment. There has been considerable business building by private persons and corporations, but the Wabash Railroad shops here and other large factories have operated on short time and in some instances nearly closed down.

Trusting this answers your inquiry, yours very truly,

O. W. SMITH, *Mayor*.

METROPOLIS

DECEMBER 16, 1930.

Mr. ROBERT LA FOLLETTE,
Washington, D. C.

DEAR SIR: In reply to your letter of the 13th instant, we have approximately 350 men out of employment in our city.

The number of people whom our city government is called upon to aid is about 75 per cent, about 50 per cent more than last year and about 75 per cent over that of two years ago.

Yes; the Government's help would sure come in handy and would lessen the burden of taxes.

We have a united charity organization and every person who has a job is giving one day's salary per month to the charity organization. We are giving out about $100 worth of groceries each week. We are buying these groceries at wholesale.

I sure do favor help from the Government. Practically all of our factories are down, and those that are working are only working about three days per week.

At present we are handling this situation fairly well, but our money is about exhausted.

Yours truly,

W. H. KARR, *Mayor*.

INDIANA

MICHIGAN CITY

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE,
Committee on Manufactures, Washington, D. C.

DEAR SIR: Your communication of the 13th instant has been delayed, not unreasonably, I trust, that information upon these points can be as fully complete as possibly may be.

1. Approximately how many people are unemployed in your community?

Answer. On December 3, in answer to a telegram from Arthur Woods, chairman, President's emergency committee for employment, Washington, I wired him as follows:

"Number of persons employed on municipal work November 15, 1929, full time, 119; part time, 6. Number of persons employed on municipal work October 15, 1930, full time, 143; part time, 40. Workers employed on city work by contractors, 30. Number of persons employed on municipal work November 15, 1930, full time, 157; part time, 32. Workers employed on city work by contractors, 20. Workers on city work paid by philanthropic and other civic organizations, none."

The above information was obtained from sources I believe to be reliable. As of December 15, 1930, we caused a survey to be made through the public and parochial schools and other sources of the conditions here as of that time. I am appending a copy of this report and marking it "Exhibit A." As this report, Exhibit A, while, of course not fully complete, was carefully compiled, it would appear reasonably certain for the additional reason that it was discussed immediately afterward in full meeting of representatives of our agencies, with perhaps one or two exceptions, and was passed upon accordingly. This would appear to answer your first question.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Increase in unemployment began early this year and has increased most materially over that of last year or two years ago. We do not appear to have any records which would allow us to state more definitely regarding the increase.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Would be as near an approximation as shows the increase of $20,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. At the meeting, last above mentioned, it was felt if an additional sum ranging from five thousand to seven thousand five hundred dollars is obtained, and in the event that there are no additional calls for assistance, we can probably weather the storm. I may say ways and means for obtaining this increase were thoroughly discussed at the meeting referred to and I believe will be carried out.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of our Federal Government may well be solicited in whatever aid it can render.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The relief extended is along the line of provisions, including food, clothing, and fuel. I am not aware that as yet we have paid any house rent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. It does not seem necessary at the present time that the Federal Government appropriate money to share with us in what might be called pure charity. If the Federal Government could do anything to benefit the unemployment situation, well and good. The people of Michigan City, I am convinced, would be absolutely opposed to anything approaching on the dole system.

You can understand municipal improvements can only be constructed within and according to the provisions of the red-eyed law. Our municipal authorities are going forward as rapidly as the law will allow in the construction of improvement and betterments, for instance, paving, etc. We are going forward as rapidly as can be done to improve our waterworks and sewage-disposal situation.

Of course, if the legislative bodies in Washington in their wisdom should conclude best that a bunch of millions be appropriated to relieve the situation, I have no doubt we can make good representations for a slice of it, as any crowd you can find in the whole country. If the legislative bodies in Washington do make such appropriations, we will endeavor to get in on the divide.

8. A brief statement of the general situation in your community.

Answer. The situation here, of course, is bad, bad all over the country; no question about that; but I do believe it is the duty of every individual, no matter what or who he or she may be, to stick his or her toenails into the sand or clay and hang on like a pup to a rope.

It will not do the country or anybody in it any good to be constantly yelping about hard times. Everybody knows times are hard, but what in the "Sam Hill" is the use of yelping about it all the while?

Bob, I am giving you my best information with very few suggestions, and that is about all I can do.

Yours very truly,

H. B. TUTHILL, *Mayor.*

Totals of employment survey December 15, 1930

Fathers living	2,476
Fathers dead	141
Number of families registered	2,617
Mothers living	2,503
Mothers dead	98
Number of families registered	2,601
460 families having 1 child	460
654 families having 2 children	1,308
503 families having 3 children	1,509
321 families having 4 children	1,284
240 families having 5 children	1,200
169 families having 6 children	1,014
59 families having 7 children	413
116 families having 8 or more children	928
	8,116
Fathers working—	
Full time	1,275
Part time	571
	1,846
Mothers working—	
Full time	126
Part time	176
	312
Boys working—	
Full time	254
Part time	170
	424
Girls working—	
Full time	213
Part time	132
	345
Total full-time workers	1,868
Total part-time workers	1,049
Men unemployed—	
For one month	79
For three months	179
For six months	197
For nine months	67
For one year or more	61
Needing employment:	
Men	543
Mothers	116
Boys	401
Girls	160
Total	1,220

BRAZIL

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: In answer to your letter of December 13, I am glad to note that there is sentiment in the Senate toward Federal aid being extended to municipalities because of unemployment and depression. I think this move is a splendid one and that it should be put in force.

In answer to the several questions that you ask, I will state that we have approximately 600 families in this city no member of which is employed. The city has a population of approximately 9,000. There are at least ten times as many people requiring assistance now more than last year or two years ago. The city is called upon to furnish at least ten times as much assistance to the needy and unemployed as it did one or two years ago.

We estimate that the increase in the number requiring relief during the winter months will be not less than 500 families. Assistance of the Federal Government will be a great help to the needy and to the local taxpayers as well.

Private agencies are furnishing food and clothing to the extent of their ability. Some are interesting themselves in furnishing coal and in furnishing limited employment at odd jobs. These private agencies are extending every aid possible, many times as much as last year, but still are unable to meet the heavy de-

mands caused by unemployment and depression. We are in favor of the Federal Government appropriating a sum of money to assist the cities and States in meeting the burden and necessities of the times.

This is a clay manufacturing center. Practically every clay plant is entirely closed down. The very few that are still operating are doing so on a short-hour basis and with very few employees. Our yards are full of manufactured clay products. As a result of closed factories our coal mines are idle or working on a limited schedule. Assistance is needed.

Very truly yours,

LEVI LOUDERBACK, *Mayor.*

TERRE HAUTE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

HONORABLE SIR: Your inquiry of the 13th addressed to Mayor Posey of this city has been referred to me, and I am pleased to convey to you the following information:

1. Approximately how many people are unemployed in your community?

Answer. A special committee reports to-day that there are approximately 2,800 unemployed in Terre Haute and 1,500 in Vigo County, a total of 4,300.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Terre Haute city government does not furnish any welfare aid. But the township trustee administers funds to the indigent out of tax money, and our community fund administers welfare relief from public subscriptions. These agencies report that the requirements of 1930 were double those of 1929 and more than double those of 1928.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Again, the city does not make appropriation for relief of the unemployed, but heretofore has contributed toward the maintenance of a free Federal and State employment agency, the cost of which is fixed by statute and has been the same for many years. The county commissioners, through their 12 township trustees, have appropriated more than double the amount for the indigent over last year and two years ago, and the community fund likewise, and is still further amplifying this fund for the year 1931.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The number requiring relief during the winter months is approximately double the appeals during the summer on account of the higher living costs.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance from any source will be a relief to the taxpayers now contributing funds, and assistance from the Federal Government will be appreciated, although we realize that this relief must come from Federal taxes and would be distributed over other territories. A part of the needs now comes from war veterans who, for some reason or other, can not obtain relief through the regular Government channels, and an amplification of these funds, together with a more lenient administration of their regulations, would be very helpful in this community. Government work along the Wabash River in this territory along the lines of water-power conservation and flood control are greatly needed, and engineers are now preparing a survey and recommendations which we hope will shortly furnish the desired assistance.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Private relief agencies in Terre Haute report as follows: Community fund raised $60,000 this year, as against $50,000 last year and $40,000 in 1929, covering the work of family relief, free meals and housing, public health nursing, etc. Hospitals spent more than $40,000 in 1930, as against $25,000 in 1929, for free medical service. The Rose Free Medical Dispensary spent about $13,000 this year, as against $11,000 last year and $9,000 in 1928. Salvation Army, Good Will Industry, and various other churches and societies administer unreported funds approximating $20,000 a year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Federal Government appropriations that will assist the city, township, county, and State governments in relief work during the present emergency would be very helpful and could render very practical aid in furnishing work for the unemployed in the road and airport departments, hospitalization and medical service, and the immediate construction of a badly needed Federal building and post office which has been recommended by the Federal post-office inspector.

8. A brief statement of the general situation in your community.

Answer. The general situation in our community is probably the same as in all other parts of the United States, aggravated to some extent by the prohibition laws, which deprived several thousand men of work in our breweries, distilleries, and allied industries, coupled with the coal-mining industry, adjustment of which has been going on since the war.

Very truly yours,

BENJ. BLUMBERG,
Chairman Vigo County Unemployment Council.

HARTFORD CITY

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
Washington, D. C.

DEAR SIR: Replying to your inquiry of the 13th instant, I beg leave to make reply as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 300.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. One hundred over las year; 200 over two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. About $200.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. One hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. All welfare organizations have combined their forces in affording relief in the way of odd jobs for the jobless, food and clothing for those deserving same. A charity basketball game is to be held December 17, the proceeds to go to the welfare organizations to further their work. It is estimated that $1,000 to $1,200 will be raised in this way. There will be double the amount of relief work over last year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The general condition in this community is above the average, I think. Factories are being run on about half time, affording employment to a greater number working part time. Our industries consist of glass, paper, and overhead doors, principally.

Our population is about 6,600.

Sincerely yours,

ELMER LUCAS, *Mayor.*

NEW CASTLE

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
Washington, D. C.

DEAR SENATOR: Replying to your letter of December 13, 1930, beg to say that there are approximately 1,200 unemployed in this community.

In Indiana the cities do not handle the charity cases, but it is done under the supervision of the township trustees.

It is my opinion that the number of people needing relief during the winter months will be three times the number that have been helped during the warmer weather. The only relief agencies functioning here are the Salvation Army, which is handling a fund raised by popular subscription. The employees of the city also have raised a small fund, which is being handled by the employees of the city. This work has done much good, because of the fact that there is no expense in handling it.

The situation would have been much worse here this year except for the fact that about three or four thousand who had come here from the Southern States to work in the factories have gone back to their homes in the South, but we find that the people needing immediate relief at the present are those who have never asked for charity before. Some of them have several hundred dollars paid on homes, but are unable to float a loan on these equities.

You asked my opinion about the Federal Government appropriating a sum of money to help in this relief, and I do not feel that I am hardly in a position to express myself on this without knowing what the plan would be for handling their appropriation, but the fact remains that the Federal Government should consider the present condition as serious because it extends to all parts of the country, and while local officials in most every community are doing all in their power, unless conditions improve within a very short time it will be beyond their control.

Sincerely yours,

SIDNEY E. BAKER, *Mayor.*

BICKNELL

DECEMBER 16, 1930.

DEAR SIR: In reply to your letter of December 13, 1930:

1. Approximately how many people are unemployed in your community?

Answer. About 500 heads of families.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. As a city we haven't helped.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. City has no appropriation for relief.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. I think we are at the peak.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Private relief is extended to about 300 families by the United Mine Workers of America.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The general situation is bad. We depend on the coal mines; there are five large mines in this field and three are working only two or three days per week.

People are losing their homes for the want of work to meet their payments.

Yours,

O. C. BUCK, *Mayor.*

VINCENNES

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SENATOR: I am in receipt of your inquiry regarding the economic conditions in Vincennes, and will endeavor to give you the situation as it exists here, answering your questions in the order in which they were asked:

1. Approximately how many people are unemployed in your community?

Answer. There are approximately 1,000 people unemployed in this community at this time. Vincennes's population is 18,000.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Conditions last year and two years ago were practically normal. Our township trustee, under our Indiana law, has the duty of providing for the poor. In other years his disbursements have averaged around $15,000; this year (in 1930), he has disbursed more than $40,000. In addition to this, the Red Cross, Salvation Army, and several other charitable organizations, have been overtaxed in giving relief to the unemployed. The city of Vincennes has just recently created a general relief committee to supervise all relief work in this city. This committee will have to be supported from the public treasury.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. It has never been necessary in the past for the city of Vincennes to take any action whatever for the relief of the unemployed; this is our first experience. The situation as it now exists has no precedent in the history of our community.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. I would estimate that there are 3,000 men, women, and children in this community that will require food and coal during the winter months. This is an increase of about 1,000 per cent over normal conditions.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government in extending relief to the needy would lessen the burden on the local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The Red Cross maintains headquarters in charge of a trained secretary, and its funds are exhausted. The Salvation Army has conducted one drive for funds and to-day it has no money to carry on its work. The Tri Kappa and the Psi Iota Xi sororities are doing all they can for poor relief; considerable work is being done by churches, lodges, and other organizations.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. The situation in this community and all over this country is unusual and without precedent and, to my mind, calls for extraordinary measures if our people are to be protected from starvation. I would favor the Federal Government doing everything within its power to relieve the situation.

8. A brief statement of the general situation in your community.

Answer. Our greatest distress is among the class of people that follow common labor for a livelihood. While there is unemployment among all classes of labor, yet the distress is among common laborers who have never been able to accumulate anything for sustenance in times of depression. Our community is no different from any other, except that we have a great many coal miners in this county who have been out of employment for four years, which makes the situation more acute than it would otherwise be if our mines had been working.

There has been a great deal of talk for the past six months about the advancement of public work for the purpose of giving employment to the unemployed, but the trouble is no contracts have been let and apparently we are no nearer a solution of this problem than we were six months ago. What we need is action. If the Government ever intends to put into effect its flood-relief program now would be the opportune time to start it. The same thing is true with highway work, public buildings, and other Government work.

I can assure you that our people will support you in every effort that you may put forth toward securing employment for the millions of unemployed people in this country.

Sincerely yours,

JOSEPH W. KIMMELL, *Mayor.*

WABASH

1. Approximately how many people are unemployed in your community?

Answer. Six hundred men. Population, 9,000.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Three times as many.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Big increase.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Much greater.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

Same old story of mergers with reduced wages. All large factories shut down just now.

HORACE R. SHOWALTER, *Mayor.*

LOGANSPORT

DECEMBER 13, 1930.

1. Approximately how many people are unemployed in your community?

Answer. Three hundred fifty.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 300.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. $15,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Three hundred to four hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. One hundred per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The city administration is employing at least 70 extra men with families. The county is employing at present about 36 extra men with families.

W. O. FIELDER, *Mayor.*

LEBANON

DECEMBER 15, 1930.

ROBERT M. LA FOLLETTE,
Chairman Committee on Manufactures,
Washington, D. C.

DEAR SIR: Replying to your communication of December 13, concerning economic conditions here, etc., beg to report as follows:

1. Approximately how many people are unemployed in your community?

Answer. The number of unemployed in this city is estimated at 250.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 50 persons were provided for last year and the year before. This year we are providing for about 250.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We have not increased the appropriation in the city over last year. The Red Cross and the Welfare League are looking after the needy here.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We are expecting to take care of 400 to 500 persons during January and February, 1931.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Of course, the assistance of Federal Government would help, but we believe we shall be able to take care of the needs without the extra help.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The local Welfare League is now taking steps to provide food, clothing, and fuel for the needy and now have a lot of provisions in storage to meet the demand, also some cash.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I certainly approve the method of the Federal Government to assist, in a reasonable way, to provide for its citizens in times like we are having now.

8. A brief statement of the general situation in your community.

Answer. Our city is a small place of about 7,000 population, in a farming community. We have a few factories, most of them running on part time and some full time, thus rendering conditions better than in many places. We feel that we shall be able to cope with the conditions here unless they become more acute.

Yours truly,

JOHN C. PERKINS, *Mayor.*

CRAWFORDSVILLE

1. Approximately how many people are unemployed in your community?

Answer. Three hundred fifty.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. All of them.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Never before.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. None.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Don't need Government help.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. All united in chest fund.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. We have raised $15,000, which will be adequate to take care of situation here; the city is furnishing employment paid out of chest fund rather than distribute money and provisions, which is, however, given to few. We are able to meet all of our local needs.

THOMAS L. COOKSEY, *Mayor.*

WARSAW

DECEMBER 15, 1930.

Senator ROBERT LA FOLLETTE, Jr.

DEAR SIR: I will do the best I can to furnish the required information.

1. Approximately how many people are unemployed in your community?

Answer. We have about 200 at this time. Will be near that amount in two weeks, as our factories are planning to shut down for a while.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. We usually have had at this time snow to shovel and our ice crop to take care of, which would give work for all; but no snow or ice yet.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. About double.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. If no ice or snow and the factories close down, it will be double.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. It sure would help.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Salvation Army, local guild, and trustee; also personal help.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. A number of calls have come in every day—nothing in house to eat. Have investigated same in person and find it true.

Yours,

LEWIS J. BIBLER, *Mayor.*

WASHINGTON

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE,
Washington, D. C.

MY DEAR SENATOR: In answer to your very worthy communication of December 14 will say that there are about 400 unemployed in this community.

I am fully satisfied that there are about 50 per cent more persons seeking aid this year over that of 1929.

We have increased our appropriations for relief this year over last and previous years about 50 per cent.

There will be at least 35 per cent increase in the number seeking aid this winter.

Yes; the assistance of the Federal Government to the needy of this community will lessen the burden on the local taxpayers.

We have an organization in this city known as the Organized Charities, and this is supported by the good people of this city who are using every effort to reduce the cry of need.

I most certainly favor the Federal Government appropriating money toward assisting the cities and State government in the reduction of need and suffering throughout the Nation.

Yours very truly,

JOHN W. MCCARTY, *Mayor.*

HUNTINGTON

DECEMBER 16, 1930.

Hon. ROBERT LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

MY DEAR MR. LA FOLLETTE: Replying to your favor of the 13th in re "unemployment and general economic depression" of the country at this time, and answering your questions as propounded, I am handing first a letter from our chamber of commerce secretary answering questions 1, 4, and 6.

DECEMBER 15, 1930.

Hon. ZACH T. DUNGAN,
Mayor City of Huntington.

DEAR MR. DUNGAN: I have copy of letter you received from Hon. ROBERT M. LA FOLLETTE, Jr., of the United States Senate and am answering those questions asked which do not apply to your department:

1. Approximately how many people are unemployed in your community?

Answer. We find that we have approximately 200 unemployed in the city at the present time, most of these being seasonal laborers.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Not more than 5 per cent.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Funds raised by charitable institutions in our city this year show an increase in totals of about 10 per cent. These agencies are expending this money for the needy in the way of food, fuel, and clothing. Our opinion is that the number of families needing assistance this winter are not perceptibly greater than last year or year before, but the funds needed per family are greater this year due to the longer period of unemployment.

The other questions asked in this letter come under your jurisdiction.

Yours very truly,

DONALD S. BROWN, *Secretary-Manager.*

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1. Approximately how many people are unemployed in your community?

Answer. Approximately 300 seasonal laborers. Our population about 15,000.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Do not believe that there is an increase for aid over 1929, but less than in 1928. We are farther from being hit with this depression than many of the surrounding cities in this part of the State.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Cities of Indiana under the law have no power to appropriate any funds for the poor. Under our law the township trustees are obliged to take care of the needy poor by a direct tax on all taxable property collected as other tax. Each township has a trustee. This township, with about 20,000 population, has raised for this year some $12,000 for this purpose. Employees of the city contribute liberally to the charitable organizations of the city.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. If an increase, will not exceed 5 per cent of last year, due to the fact that most of our factories are working all the employees on half-time instead of discharging half or more—the city does the same way—thus bringing in something each week to live on.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Charity alone is worth less than nothing. Work is better, and then let each work out his own salvation. Federal aid, of course, would help. Why not distribute some of the 40,000,000 bushels of wheat bought by the agricultural board and give it to the poor? It was this board that set the market—and I am engaged in farming—when they sold the 375,000 bushels to the mills of Milwaukee just at threshing time. Foodstuff and work would lessen the burden on taxpayers everywhere.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. (Answered by chamber of commerce secretary.) Reports from the charity organizations show quite an increase in amount raised over last year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Money by the Federal Government, if distributed to all counties and cities, will help lift the burden.

8. A brief statement of the general situation in your community.

Answer. Considering, this community is in better shape than many other communities. All factories, charity organizations, etc., are working in perfect harmony with city and county, as well as all churches and lodges. We will have no bread lines, as the needy will be taken care of without this.

Very truly,

ZACH T. DUNGAN, *Mayor.*

FRANKFORT

DECEMBER 17, 1930.

Hon. ROBERT LA FOLLETTE, Jr.,
Washington, D. C.

ESTEEMED SIR: On another sheet I have as directed in your letter attempted to give an answer to each of your questions, and I hope that the answers may be of benefit to you.

I have been in this community for more than 50 years, and conditions are the worst right now that I have known. We have a small army of men looking for work each day, and our limited means keeps us from doing the things that we would like to do during this period of unemployment.

Very truly yours,

CLIFFORD E. CRAWFORD, *Mayor.*

1. Approximately how many people are unemployed in your community?

Answer. A recent survey shows that there are between 500 and 600 unemployed in our community, compared to a normal 150 at this season of the year.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. No help has been extended by the city government in the past, but this year the city has made part-time jobs for dozens of needy unemployed, as well as establishing a connection and helping support the Salvation Army in its work of caring for transients. We are facing the necessity of increasing the work as the colder months come.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The relief work is handled by the township, which is deluged with calls for help. No special appropriation has been made, and the part-time work has been paid for up to this time out of appropriations for the upkeep of the streets. A special appropriation for work for unemployment relief will have to be made in all probability before the winter is over.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The increase over previous years will be enormous, at least 1,000 per cent, and the increase over the present necessity before the winter is over will be at least 100 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government is needed in every community. This need has come on after tax levies were made and appropriations all provided for. Retrenchment in other lines will help little, as retrenchment simply aggravates the general conditions which bring this condition to us. This city could use thousands of dollars in relief work and not take care of all the cases which should be taken care of.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The Associated Charities have perfected a better organization than ever, and will increase the work from less than a thousand dollars in the winter to a probable $10,000 to $20,000 this winter. Other lesser agencies are cooperating with the Associated Charities.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. The situation is unprecedented, and the Federal Government could do no better work than to throw its resources into the battle and do what it can to help in the relief program. It is a job which needs the cooperation of every agency of the whole Nation.

8. A brief statement of the general situation in your community.

Answer. Our community is perhaps more fortunately situated than many in that it has diversified industry and diversified agriculture. Evidence of the increase in crime as well as want is already evident, and the prospects for the remainder of the winter are bad. Relief work is well organized, and a general contribution of 1 per cent of the earnings of all regularly employed persons is being made in the city. This relief fund will help, but it is going to take all we can get—and more—to handle the situation in our community.

IOWA

INDEPENDENCE

1. Approximately how many people are unemployed in your community?

Answer. 400.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. 25 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. 15 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. 10 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Have a welfare board operating; 25 per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. If possible.

8. A brief statement of the general situation in your community.

Answer. Serious, but not alarming.

FORT DODGE

DECEMBER 15, 1930.

Senator ROBERT LA FOLLETTE, Jr.,
Washington, D. C.

MY DEAR SENATOR: Fort Dodge is a city of 25,000 population. It is estimated that there are at least 500 unemployed people in this community. The number has increased, probably doubled, during the last year.

Our chief industry in employing labor in this vicinity is the gypsum mills. Building has been interrupted and these men have been out of employment for nearly a year. Naturally the number requiring relief during the next few months will be doubled over last year.

I can not tell whether the assistance of the Federal Government will help to extend relief to the needy and lessen the burden of the local taxpayers. If I knew the form of assistance to be taken, then I could answer your question.

All the relief extended in this city comes through a well-organized welfare association, which uses the money raised by county taxes and money subscribed voluntarily. In Iowa municipalities have no funds to use for the relief of the poor. The situation in Fort Dodge is quite serious and the funds that are available will be no doubt exhausted before the winter season is over. Any organized form of assistance will be welcomed.

Yours very truly,

C. V. FINDLAY, *Mayor.*

OTTUMWA

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: In answer to the inclosed letter will say that as near as we have been able to figure here in Ottumwa, a city of approximately 30,000 population, we have listed on the inclosed form about 400 that need work badly. We were building a hydro-electric plant on the Des Moines River here, which is in addition to the one we already have. We started this work early last spring, and, together with our other public work, has enabled us to take care of almost all of the unemployed until this December.

We had intended to close down about December 1, but as the weather was good and the men needed the work, we decided to deepen the river channel below the power house and take out the rock and crush it and use it on our streets. This work would have been done within two or three years anyway. We are handling the unemployment situation in this manner. We are working 100 men on Monday and Tuesday and pay them 40 cents an hour. They make $7.20 for the two days, and then we put on a different 100 men for Wednesday and Thursday, and a like amount for Friday and Saturday. That takes care of 300.

We are doing some work in our parks that could have been left until spring in the same manner, and that will take care of another 50, so we have about solved our own problem and picked up the slack. Of course, we are like almost every other municipality. We would like to get some Government aid, but the time is so short I don't think the Government could get the wheels going in time to give us the money, or anyone else. It looks to me that every community should dig up some work in parks, roads, and river-bank improvement, and could actually put these men to work on short shifts if they are so inclined.

It will cost this city about $25,000 to do this work, and that will tide over our unemployed until March 1. I hope this gives the desired information.

Yours truly, EDWIN MANNING, *Mayor.*

CEDAR RAPIDS

1. Approximately how many people are unemployed in your community?

Answer. 1,000.

2. To what extent has the number of persons whom the county government is called upon to aid increased over the number last year and that of two years ago?

Answer. Doubled over last year.

3. To what extent has it been necessary for your county to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Takes more than twice as much money raised by taxation.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Increase in new cases about 60 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. If it could be secured.

6. Briefly state what relief is being extended by private relief agencies.

Answer. Salvation Army.

This was handed to me by the mayor for reply. The county handles all relief work except that by Salvation Army.

L. LANDMESSER,
Overseer of Poor.

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

DEAR SENATOR: As the county is the unit handling relief in Iowa, I am asking the overseer of the poor to answer your questions in numerical order and at once.

I realize that conditions following unemployment are quite different in various sections of the country. This city is now experiencing its first mass unemployment. The building trades are hardest hit. There are probably 1,000 men and women in Cedar Rapids who need steady employment. Of course, some of these never have had and never will have constant employment.

We are unfortunate in this respect: Our largest manufacturing plants are the Quaker Oats, Penick & Ford, Sinclair Packing Co. These institutions paying a very low wage, the greater number of employees drawing less than $20 per week, many not to exceed $12 to $14; consequently, such institutions are creating a situation that will eventually develop a lot of county charges.

Such institutions, however, with the control of certain chamber of commerce officials, are always out in front as "leading citizens" to effect organization (to be financed by the public) for the relief of the unemployed. This kind of an organization has been effected and is functioning here now. At the same time and since this relief organization became active, the most prosperous of these institutions continue laying off employees.

Having a personal acquaintance with your father, having entertained him here when mayor a quarter of a century ago, I can visualize how he and you, his son, would and will view such practice.

With best wishes always, I am, very truly yours,

CHARLES D. HUSTON, *Mayor.*

ATLANTA

1. Approximately how many people are unemployed in your community?

Answer. 50.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. None.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. None.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Increased road funds would increase work next summer.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. No increase yet.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No; except increased road appropriations.

8. A brief statement of the general situation in your community.

Answer. Has been work here for practically all this fall. This community is fortunate in having had plenty of work for common labor this fall.

Will be some suffering this winter.

W. CAREY MARTIN, *Mayor.*

OELWEIN

DECEMBER 16, 1930.

ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures.

DEAR SIR: In reply to your inquiry of the 13th instant I have compiled the following information:

Our poor relief is handled entirely as a county project, Oelwein being the chief city. Figures are therefore for the county of Fayette, Iowa.

1. Approximately how many people are unemployed in your community?

Answer. Approximately 1,100 workers unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Number of county dependents is now 40 per cent greater than one year ago, five times as great as two years ago. Now the number of families dependent is approximately 200.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. County appropriation for relief is now exactly double that of one year ago, and now our levy is the largest possible under the law for that purpose. Twice as large as last year and four times as large as two years ago.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. It is estimated that requirements of relief will increase from 25 per cent to 40 per cent over the present before spring.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. There is no doubt that Federal aid would be beneficial, as levies can not be increased. Most rental properties are not returning fair income, if any, and taxes must be paid. Taxes for the next few years will be to some extent confiscatory.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Private relief agencies are supplying all shoes and clothing, nursing, operate a milk fund, leaving county only the food, fuel, some rent, and medical care. Activities of private relief agencies have increased 500 per cent over last year and 1,000 per cent over two years ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. We favor the Federal aid in the emergency, as the relief the county can offer is so closely restricted by law. We could otherwise handle the situation through deferring some payments.

8. A brief statement of the general situation in your community.

Answer. Oelwein, Iowa, is the principal city of Fayette County, population just under 8,000. Only industry Chicago Great Western Railroad shops, which have been almost entirely closed down for over a year. Many have now used up their savings and face a critical situation. Sixty or seventy empty houses in the city. Probably twice that many are being used rent free. Authorities working incessantly and public meeting the situation nobly. Poor are helping the poorer.

I am pleased to furnish this report, made by cooperation of county officials.

Sincerely yours,

LEON C. KNAPP, *Mayor.*

KANSAS

NEWTON

1. Approximately how many people are unemployed in your community?

Answer. About 50 families have no means of support.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 40 families.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We have done it so far without extra appropriation, but we will soon have to. Charity has been our plan.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. A few more.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. City woodpile gives labor for a few. We have called on the well-to-do to help Salvation Army with money and clothing.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Conditions are pretty bad. We have about 50 families needing assistance. They threaten that will live(?) or be given work. If the city had a little more money we could carry on city improvements that would keep all satisfied. Things will get worse as it gets colder.

Sincerely yours,

W. A. STERBA, *Mayor.*

WICHITA

DECEMBER 16, 1930.

Senator ROBERT LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: 1. Approximately how many people are unemployed in your community?

Answer. Six thousand.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Four hundred per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. If weather holds good, very few.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Four times as much.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

We have not allowed any floaters to congregate for the winter. Wichita has no laws allowing us to appropriate moneys for relief except directly to perhaps one-half dozen charitable institutions which must be allowed by budget direct to them when budget for year is made. Practically all relief agencies are working through the Salvation Army, to whom we have given space in forum.

If weather is favorable we have enough work outlined, commencing next month, to relieve the situation very materially.

Yours,

H. A. HILL, *Mayor.*

TOPEKA

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Senate Building, Washington, D. C.

MY DEAR SENATOR: In response to your communication of the 13th instant, relative to the unemployment situation, I beg to advise you as follows:

A registration of the unemployed in our city shows approximately 2,000 unemployed men and women. A second registration has just been completed registering those who were not registered in the first registration.

The number of persons requesting relief from the city has doubled over the number of requests last year and two years ago.

The city of Topeka has not been forced to increase their appropriation for relief as yet. The city appropriated approximately $15,000 from the contingent fund to provide hand labor in one of their large contracts this fall.

I am unable to estimate the number requiring relief during the winter months, but am certain the number will be greater on account of the severity of winter.

The assistance of the Federal Government to extend relief will lessen the burden on our overburdened taxpayers greatly.

Our social agencies and private agencies are doing their share very well and are doing all they can to provide relief. The demands made upon them have doubled in amount over that of last year.

I do favor the Federal Government appropriating an amount of money to aid the city and State governments in this emergency.

Our situation here is like that of most cities. We have a number of unemployed and are striving to do all in our power to aid them. The city has advanced all improvements in order to furnish relief. Several projects are in the course of construction and others being prepared. A registration of the unemployed was taken to protect our people from floaters from other cities, if they discovered we were attempting to aid our own unemployed.

Very truly yours,

W. O. RIGBY, *Mayor.*

KENTUCKY

ASHLAND

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SENATOR: In reply to your letter of December 13, will say that I am heartily in favor of the Federal Government sharing with the municipalities and State governments to any extent under the present conditions.

1. Approximately how many people are unemployed in your community?

Answer. City of Ashland, Ky.; population, 29,050; 1,000 unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answers to questions 2, 3, and 4. Associated charities and other local organizations report an increase of over 150 per cent over last year and two years ago. During the years of 1928–29 the city was not called upon for any appropriation to relieve unemployment; 1930 to date the city has spent approximately $20,000 and is planning further expenditures.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. One hundred fifty per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The American Rolling are helping take care of their unemployed by assessing those who are working. Conditions are very bad, and I dread to think of what it will be this winter unless some relief is given.

Very truly yours,

JOHN KOBS,
Superintendent Public Works.

HENDERSON

DECEMBER 15, 1930.

Senator ROBERT LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SENATOR: Your letter of December 13 received and noted.

1. Approximately how many people are unemployed in your community?

Answer. We figure the number of unemployed people in Henderson at the present time is around 800.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. There are about twice as many people to be helped as there were last year or the year before.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city up to this time has not increased its appropriation for public welfare. The private subscriptions have been increased, and the city will have to increase its help the first part of the year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We think the number of people requiring help would about double last year.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. There is no question in my mind but that the assistance of the Federal Government would help the local taxpayers, but whether it is the best thing to do or not I can not answer.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Up to the present time the situation is being taken care of by the local agencies, and they are doing it very nicely.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. We feel like we can take care of the present emergency with the help of local assistance, but if the United States Government appropriates a sum of money for this emergency we feel like we would like to have our proportion.

8. A brief statement of the general situation in your community.

Answer. The situation has been better here than in most places up until a few months ago. It is worse now than ever before, and we are looking forward for this condition to last 12 to 18 months.

These are the facts as best I can state them, and any further information I can give you will be a pleasure.

Very respectfully,

WM. T. BARRET, *Mayor.*

LOUISIANA

BOGALUSA

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman of Committee on Manufactures,
Washington, D. C.

DEAR SIR: This will acknowledge receipt of your letter of December 13, in which you advised that some of the Members of the United States Senate feel very strongly that the economic conditions in the country require the Federal Government to share with the municipalities and State governments at least 50 per cent of the increased costs of financial relief being extended by the municipalities because of the widespread unemployment and general economic depression. You have asked that I answer eight questions propounded in your letter.

In reply I wish to state:

1. Approximately how many people are unemployed in your community?

Answer. There are approximately 500 able-bodied men unemployed in this community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. It has been my observation that our city government is now being called upon to aid at least four times as many people as this time last year, which was about the same as two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. During the year that is now closing, we have appropriated approximately $400,000 for municipal improvements in order to assist the unemployed. The year before we did not make any appropriations for municipal improvements.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Judging from the number who are now seeking assistance, I am of the opinion that before the winter is over at least twice as many will be asking for relief.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government will help to extend relief to the needy and lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Most of the relief that is now being extended is handled through the local chapter of the American Red Cross and the B. P. O. E.; however, I am certain that these agencies will not be able to cope with the situation if conditions get any more serious. We are already spending twice as much for relief as we did a year ago, and I am certain that it will be necessary to call upon those who are able to help to give further contributions before the winter is over.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I am heartily in favor of the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated.

8. A brief statement of the general situation in your community.

Answer. The general situation in this city, which has a population of approximately 15,000, is as good or better than any other industrial city in the State of Louisiana; however, a serious situation has arisen, which calls for immediate relief and it would be timely, indeed, if the Federal Government would share with the city and State governments the burden of caring for the numberless poor and needy all over the country.

Very truly yours,

E. R. CASSIDY, *Mayor.*

LAKE CHARLES

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of inquiry under date of December 13, and I will undertake to answer your questions in order.

1. Approximately how many people are unemployed in your community?

Answer. Population of Lake Charles, 15,900; number unemployed, 700.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Aid extended by relief organizations of the city three times larger than two years ago. By reason of limited amounts to disburse, provision for unemployment and poor restricted to extreme cases and amounts given out limited.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city has no authority to make appropriations for relief, and if it did have such authority its financial condition would not permit appropriations.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. My estimate of increase in number requiring relief during the winter is 50 per cent. It may be more than doubled if migrations from the North continue.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance of Federal Government will greatly extend relief, as burden is too heavy to be borne entirely locally.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. For answer to this inquiry see No. 2.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. If Federal Government could place a sum of money at the disposal of the city or its relief agencies for direct and immediate use, it would prevent much suffering and distress. I, therefore, favor such appropriation, provided it can be made available in time to give assistance.

8. A brief statement of the general situation in your community.

Answer. Our State has entered upon a program of highway construction and erection of State capitol, calling for an expenditure of over $100,000,000. While effort is being made to allow only electors and citizens of Louisiana to participate in this work, it is inevitable that it will attract many from other States who will be put on the pay rolls. Permit me to say that I do not favor a wide-open policy extending relief to citizens of other States, but at the same time I desire to see the use of some latitude so that we may not appear entirely selfish in extending relief to the needy.

Trusting this answers your inquiries, I am, with expressions of appreciation of your patriotic efforts,

Sincerely yours,

LEON LOCKE, *Mayor.*

SHREVEPORT

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SIR: I am pleased to answer your favor of the 13th instant, and I shall attempt to answer your questions in the order in which they appear. My answers, however, will not attempt to deal with exact figures but will be largely my own estimates. They are:

1. Approximately how many people are unemployed in your community?

Answer. Possibly 6,000 within the city limits and within a radius of 20 miles around the city.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Estimated about 75 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Approximately 40 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. At least 33⅓ per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Most certainly it will.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Recently a drive for our federated charities, having for its goal $160,000, went over the top by raising approximately $200,000. In the federated charities are found the Provident Association and the Salvation Army, whose mission is to give relief to those in need of charity. In addition to these agencies, the citizens of Shreveport, in the interest of the unemployed of this city, have organized a community welfare committee, which is at work attempting to find or create jobs for the unemployed and through which medium quite a bit of work has been secured for the unemployed. This is merely temporary but is helping wonderfully while we are waiting for a change in conditions.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I do.

8. A brief statement of the general situation in your community.

Answer. The situation in this community is similar to what you will find in all other communities of this section of the country. It is certainly bad enough to need our very best attention. We are doing all we can locally, but we need all the help that we can receive.

Sincerely,

J. G. PALMER, *Mayor.*

ALEXANDRIA

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE,
Washington, D. C.

MY DEAR MR. LA FOLLETTE: I have your letter of December 13. In three days—Saturday, Monday, and Tuesday—we have registered 1,060 unemployed.

I believe if all the cities in this State would make the same registration that we are making and pool their registrations, this would be an ideal way to get the definite number that are now unemployed in this State. We are now busy segregating our different classifications, and by Saturday we will be able to say just how many of each classification we have in this immediate vicinity who are at present unemployed. Our figures also show that each unemployed will average dependents of four persons. Our increase has been at least 75 per cent over last year, our donations to the poor have been increased to at least 50 per cent, and this winter, if we have a very severe winter, our donations will run over 100 per cent. The help of the Federal Government would be indeed welcome and would be a great benefit to our city and State, for the reason we have been sorely hit for five years over drought and flood conditions. The only agencies we have for relief are through the city, parish, and local civic organizations. I certainly favor the Federal Government appropriating sufficient money to help the cities and States in this affected territory in taking care of those in need. We are not as badly hit as other localities, but, as I have stated above, we have had five years of such, and we can not stand very much more.

We will certainly appreciate anything you may do.

Yours very truly,

V. V. LAMKIN, *Mayor.*

MICHIGAN

MIDLAND

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senator, Washington, D. C.

DEAR MR. LA FOLLETTE: Your letter of December 13 requesting the report on the unemployed in Midland received and I think that if anything can be done to assist the unemployed it is commendable.

1. Approximately how many people are unemployed in your community?

Answer. There are probably 100 people in Midland unemployed.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city of Midland is called upon to furnish relief to but very few people at any time. However, we have always endeavored to furnish employment for those in need instead of giving relief outright.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Not to exceed 50.

5. Will the assistance of the Federal Goverment help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. No.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. So far as the city of Midland is concerned, we do not need outside help.

The city of Midland has a population of 8,500. We have a very high-grade personnel here. We have a county health unit, who look after the sick and those in need in the county. The city has a community fund, and the quota was $20,000. This campaign ended last Saturday night and was oversubscribed $2,500. The King's Daughters receive a substantial amount of this money. They employ a welfare worker, who puts in her whole time looking after people who are in need.

There is a Federal-aid road being constructed west of our city, and if the bridge work and grading is kept going all winter it would help materially; and if the Federal Government will do their share on this job, even though it cost more per mile to do this work in the winter, it will help to a great extent.

I believe one way to furnish employment would be to put the men into the woods cleaning up and burning all refuse on Government land. This would also help prevent forest fires; and if the Government continues to protect our local chemical industry from foreign competition and cheap labor we will be able to take care of ourselves.

Very truly yours,

JOHN A. WHITMAN, *Mayor.*

HOLLAND

DECEMBER 16, 1930.

Senator ROBERT LA FOLLETTE, Jr.,
United States Senate Building, Washington, D. C.

DEAR SENATOR LA FOLLETTE: Regarding the unemployment and relief in Holland, Mich.:

1. Approximately how many people are unemployed in your community?

Answer. From the registration which was made last month, we are of the opinion that there are in the neighborhood of 600 people unemployed in our community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The city is helping about one-third more through its welfare committee than it did a year ago. Last year was about normal.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city has not increased its appropriations for welfare work, as at the time the appropriation bill was made up a year ago we did not see far enough ahead to do that, which means that we will run behind about $30,000 during 1930. Approximately $5,000 of this is for emergency relief for the poor and the balance is to be paid out in wages for the unemployed, but since all the work which they are now engaged in doing is work which would have to be done some time within the next two or three years, the excess over the appropriation will be carried as an overdraft and distrbuted through the next two or three appropriations.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The number requiring relief by the welfare committee is about doubled to what it has been for several years.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I very much doubt if the assistance of the Federal Government is needed in a community of this size. Were it possible for the Government to turn over $5,000 to a city of this size we could pretty near take care of all emergency relief without increasing the amount we normally spend. The only way the Federal Government could help us in taking care of the unemployed would be to appropriate for a Federal building program; and, except for roads, which would not be built in this community for the next several months, I do not know of any work that the Government could carry on just now or any that we need.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. There is very little private relief work being carried out, other than that which is done from year to year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I favor the Federal Government participating in the present emergency to the extent of building where building can be done and should be done, and to the extent of providing, through loans or appropriations, a sufficient sum of money so that the destitute can be provided for.

Sincerely yours,

EARNEST C. BROOKS, *Mayor.*

BATTLE CREEK

DECEMBER 16, 1930.

ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SENATOR: I received your letter of December 13, and I will try to the best of my ability to answer your questions.

1. Approximately how many people are unemployed in your community?

Answer. We have an unemployment office in our city hall, and the unemployed that register there amounted to approximately 1,500, including men and women.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. There has been about a 50 per cent increase.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city has bonded for sewer work and for sanitary and sewage-disposal plant to employ men during the winter months. We also have increased our welfare fund in Battle Creek one-third, and some of our manufacturing plants have gone on what is known as 6-hour shifts to aid the unemployed, principally the Kellogg Co.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. There probably will be 1,000 families in Battle Creek requiring relief during the winter.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Our relief goes through our county poor superintendent, welfare department, Salvation Army. We had a meeting of the ladies of our women's clubs and organizations in the city asking them to canvass the city and have our citizens as far as possible give employment, no matter how small, to the unemployed.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. We feel that in Battle Creek we are in fairly good position regarding the unemployed situation. The city commission has appointed a civic and industrial committee, which is working in our city, and they are doing all they can to find work for the unemployed. The headquarters of this committee are at the city hall, and we feel that good work is being done by this committee. All of our industrial plants are doing all they can to help the situation, and the city is employing about 400 more men this winter than ever in an endeavor to help the situation.

Yours very truly,

WILLIAM P. PENTY, *Mayor.*

CHARLOTTE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

SIR: In reply to yours of the 13th, please be advised as follows:

1. Approximately how many people are unemployed in your community?

Answer. In the city of Charlotte there are 150 unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Fifty per cent over last year and tripled over two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. All appropriations for relief are made by the county; also distributed by the county poor commission, and has increased from $14,000 to $20,000, and the commissioner has advised that this will not be sufficient if the demand keeps increasing.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Fifty per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have a number of organizations in the city such as the Salvation Army, Red Cross, Sunshine Club, American Legion, etc., and they are drawn on more this year than ever.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The present condition in this city far exceeds anything we have experienced. As explained above, the cost of providing for the needy is more than ever, and the available funds which are raised entirely from local taxes are decreasing, due to no work; therefore more taxes being returned.

Trusting that this is the required information, we are,

Sincerely yours,

MILTON J. KRIEG, *City Clerk.*

DOWAGIAC

1. Approximately how many people are unemployed in your community?

Answer. About 500.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About 40 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Poor fund was increased $2,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Forty to fifty per cent.

5. Will the assistance of the Federal Govenment help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. All private charity clubs have united in one drive. One hundred per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated? Answer. Yes.

The city of Dowagiac isn't able to take care of the needy this winter. I got all charity clubs organized in one united charities and the citizens that are able are donating to this fund, otherwise we would be up against a bad proposition.

Yours truly,

C. C. PAUL, *Mayor.*

LANSING

1. Approximately how many people are unemployed in your community?

Answer. Four thousand.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. $100,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. $100,000.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. None.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

LAIRD F. TROYER, *Mayor.*

ESCANABA

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SENATOR: Replying to your letter of December 13 relative to the unemployment situation in the city of Escanaba, will say that—

1. Approximately how many people are unemployed in your community?

Answer. There are about 400 out of employment and approximately 300 in need of relief.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. No unemployment to amount to anything in 1929.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Employment has been given persons in need of relief by the city and aid to the poor which averages approximately $2,900 per week.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Expect there will be a decrease in the number of unemployed after January 1, 1931.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I believe that the assistance of the Federal Government would help to extend the relief for the needy and lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The Chicago & North Western Railway Co. is assessing their employees 5 per cent of their wages, and this amount is being used to assist the unemployed employees of the above railroad. It relieves the city of Escanaba to a certain extent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I favor the Federal Government appropriating a sum of money to share with the city and State governments, but believe that the relief mentioned, under consideration in Congress at this time, should have quick action and highway-construction money released as soon as possible.

8. A brief statement of the general situation in your community.

Answer. This city is a railway center, and the surrounding country yields considerable forest products. On account of no market for lumber and other forest products of this kind, the railroad crews have been reduced materially, and of course the wood workers are also not employed.

I am of the opinion that the people of the entire community expect that Congress should, with all possible speed, release money for highway construction which would employ a great many men, not only in this vicinity but all over the country.

Thanking you for the inquiry and hoping this information will be of benefit to you, I remain

Yours very truly,

W. H. NEEDHAM, *Mayor.*

THREE RIVERS

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SENATOR LA FOLLETTE: In reply to your letter of December 13, our belief coincides with that of the Members of the Senate who think the Federal Government should share in the increased cost of relief work caused by the widespread economic depression.

1. Approximately how many people are unemployed in your community?

Answer. About 10 per cent of our population of 6,837.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. About six times.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. About six times.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. About 25 to 50 per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two yars ago?

Answer. Nearly all of the relief work is given under the head of Three Rivers Associated Relief.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. We do.

8. A brief statement of the general situation in your community.

Answer. Until the past year Three Rivers was in a very enviable position so far as unemployment is concerned, but since the first of the year there has been a steady decline until at present there are approximately 700 out of work and 1,200 working part time or 1 to 3 days per week.

Most sincerely yours,

A. C. RUGGLES, *Mayor.*

WYANDOTTE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

DEAR SENATOR: We have for prompt reply your questionnaire of the 13th instant which was addressed to Mayor Ira J. Kreger.

The relief, welfare, and other remedial measures in this time of unusual stress, for Wyandotte, has been turned over to a central relief committee named by the mayor and approved by the common council. This committee was named in a skeleton group, termed "the executive committee," with power to appoint such subcommittee as needed. The appointments were recent and we are just beginning to function.

Applying the numbers originally used for your questions on our replies, please be advised:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 850 unemployed heads of families.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. This year 100 per cent increase over the families helped last year and 150 per cent over those assisted two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. In 1928 the appropriation for the poor fund was $13,000; in 1929 it was $17,000; the appropriation this year is $25,000. The city's fiscal year opens October 1. At the date of this letter the entire year's appropriation—$25,000—has been exceeded by approximately $6,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. It is hard to estimate the "increase in the number requiring relief during the winter months," but it will be safe to say that the amount will be large.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. In re private relief agencies—there are no figures available as to the exact extent of increase. The major relief measure among this group is without doubt what is being done for Wyandotte who were contributors to and are being somewhat served by the Detroit community fund. Various local organizations are doing what they may and considerable financial assistance has been turned into the coffers of the central relief committee.

8. A brief statement of the general situation in your community.

Answer. Each community, seeing its own problems at closer range than general conditions feels particularly aggrieved and penalized—quite probably—and this particular city has been told that we are in better shape than many by others—still, as we delve more deeply into the situation, day by day, the total of misery is appalling. We can't foresee what the future has but are busily engaged in doing what we may in relief work of all sorts, as the need appears.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. These two questions concern the advisability of Federal aid for at least a portion of the unusual aid required and will be answered by ourselves as one. The sentiment seems divided a little, certain members being agreeable to leaving the entire matter to the judgment of President Hoover. Others feel that if aid might be devised in some manner it would be extremely acceptable provided bureaucracy or too much official supervision did not absorb a great portion of the available funds in "overhead." Still another thought was along the lines of Federal loans to the various communities, same to be tax free and payable in possible installments. These questions are answered very frankly, Mr. LA FOLLETTE, as the writer presumes you would choose to have them.

Faithfully yours,

CENTRAL RELIEF COMMITTEE,
R. J. LYNCH, *Chairman.*

YPSILANTI

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

DEAR SIR: Your communication dated December 13 and addressed to the mayor of this city has been turned over to me for a reply. I will attempt to answer your questions in the order they have been asked.

1. Approximately how many people are unemployed in your community?

Answer. About 300 people are unemployed in this community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Several times as many persons have required aid as compared with last year and approximately five times as many as two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Our city has a very small appropriation for poor relief in past years, the sum of $1,000. This year they will spend from $2,500 to $3,000, according to the present outlook. The local community fund has in the past practically relieved the city of the responsibility for the care of the distressed, so that in any case the amount appropriated by the city will appear small.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We anticipate very little increase in the number of people requiring relief inasmuch as the unemployment situation here in the Detroit district is slowly improving. There will, of course, be some demand made by people whose resources may become exhausted during the winter months.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance by the Federal Government would unquestionably help, but in our case is hardly necessary in the form of a direct contribution of money. Anything that can be done to help create employment is obviously the best sort of assistance.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Our local community fund through which our relief agencies receive their money increased its total budget 20 per cent, but readjusted the items in that budget so that more than twice as much money was available for relief.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. If I understand this appropriation to be in the form of a direct money contribution, I would say no. If, on the other hand, Federal appropriations are made available for construction projects, the situation would be different. Certainly we would not take a single step in the direction of a dole system. It seems to me the American people are responding admirably to the cause of relief. In fact, I am inclined to believe that here in this part of the country there is too much emphasis being put on charity. We are overdrawing the picture and we are encouraging, and I can speak from experience right here in our community, people who are more or less out of employment at all times to take advantage of the situation and lean on the community. We must take care of the unfortunate. We must prevent avoidable suffering. But business and the consuming public will have to work out the ultimate. We have an unemployment committee working in cooperation with State and Federal agencies. We are happy to be able to try to assist you in submitting this information.

Respectfully,

PAUL UNGRODT, *Secretary.*

MISSISSIPPI

CORINTH

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: I am herewith inclosing questionnaire that you sent me December 13, answering all questions to the best of my ability.

We have here in our city an organization, known as the Corinth Welfare Association, that is functioning as a civic organization to administer to the poor and needy of our community, but the entire city as a whole is contributing to this organization and, after all, it is nothing less than a municipal proposition, and I, as mayor, acting as one of the directors.

As stated in the questionnaire, we are just at a loss to know how to meet the emergency, and if the Government could formulate some plan of speedy relief it would be a godsend, not only to this community but nation-wide.

Trusting that I have given you the proper information and assuring you that I am willing to aid or assist in any small way that I can, I am,

Yours very truly,

W. L. SWETT, *Mayor.*

1. Approximately how many people are unemployed in your community?

Answer. Five hundred.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. One hundred per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. At least doubled.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. One hundred per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes; if done immediately.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

NORTH DAKOTA

MINOT

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

MY DEAR SENATOR: This will acknowledge receipt of your letter of December 13, stating that some of the Members of the United States Senate feel very strongly that the economic conditions in the country require the Federal Government to share with the municipalities and State governments at least 50 per cent over normal expenditures of the increased costs of financial relief being extended by the municipalities because of the widespread unemployment and general economic depression. In reply, wish to say that I am heartily in favor of such a measure as I am sure that practically every city in the United States has felt and is feeling the burden imposed and which necessarily must be borne on account of the unemployment situation prevailing at this time.

Answering the questions enumerated in your communication, wish to state as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 500 heads of families are unemployed at the present time.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Last year the number of unemployed was approximately 100 to 150, and two years ago there was no unemployment.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Last year the city and county expended approximately $10,000 for poor relief, while this year approximately $40,000 has been set aside for the same purpose. Two years ago approximately $2,000 was expended.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Wish to say that we have endeavored to create employment for the unemployed by letting contracts for waterworks improvements and improvements of parks and rivers so the number of unemployed should not increase over that existing at this time.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Wish to say that assistance from the Federal Government will help to lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Wish to say that a fund of approximately $20,000 was raised by citizens of this city for charitable purposes.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Wish to say that I do favor the Federal Government appropriating a sum of money that will share with the city government the increasing relief burdens that the present emergency has necessitated. Such funds must, of course, be available for immediate relief and should be distributed by the executive officer of any city which is now carrying the extra burden imposed on account of the existing condition.

8. A brief statement of the general situation in your community.

Answer. Wish to say that the territory in which the city of Minot is located depends entirely upon agriculture for its development and with the prices of farm products as they are at the present, the prospects can not be said to be very promising.

Yours very truly,

A. J. H. BRATSBERG, *Mayor.*

OHIO

URBANA

DECEMBER 18, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: Answering your letter of recent date will say to question No. 1, the unemployed in this city and county immediately surrounding Urbana would approximate 1,000.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The increase in the number being cared for is about 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city has increased its appropriation over last year and the year before more than 100 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Increase in those needing help as winter advances will be considerable.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes; help from the Federal Government will save Urbana's taxpayers and lessen its burdens most surely.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Private relief agencies are doing all they can and have increased their donations 25 to 50 per cent over other years.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I am strongly in favor of Federal Government aid as there is no knowing what is ahead, and some of the people are desperate.

8. A brief statement of the general situation in your community.

Answer. There is no work or prospect of work for several months for those out of employment. Some of the factories are closed down, others working with reduced forces and on part time. Merchants and all lines of business are employing as few men and women as possible.

Hoping this will give you a good understanding of our situation, I am,

Very truly yours,

C. C. CRAIG, *Mayor.*

DAYTON

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SENATOR: Your circular letter in regard to the economic conditions in the country with specific reference to this city has been received. The eight points are covered as follows:

1. Approximately how many people are unemployed in your community?

Answer. It is estimated that there are 10,000 people unemployed in this city.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons aided by the city has increased approximately 500 per cent over the same month last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Because of community funds, the city has not increased its appropriations for poor relief this year, but definitely will increase same next year approximately 1,000 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We estimate that the increase in the number requiring relief during the winter months will be approximately 1,000 per cent over normal conditions.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Undoubtedly the Federal Government can be of assistance in lessening the burden.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Relief in furnishing food, fuel, gas and light, and emergency rent is being extended by private relief agencies. This has increased approximately 700 per cent over last year and 1,000 per cent over two years ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. We most certainly favor the Federal Government appropriating a sum of money to share with the city and State governments in relieving the burden, and we further most heartily recommend that the Federal Government provide ways and means at once to pay the so-called soldiers' bonus, which has been owing by the Government since 1918. This in itself will go a long way to relieve the depression by putting this amount of money into circulation.

8. A brief statement of the general situation in your community.

Answer. Unfortunately at this time the situation in this community has not reached the peak, which will undoubtedly come within the next two or three months.

Sincerely yours,

EDW. V. STOEKLEIN,
Director of Public Welfare.

LANCASTER

DECEMBER 18, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States, Washington, D. C.

DEAR SIR: Will endeavor to inform you on local relief conditions per inquiry of December 13.

1. Approximately how many people are unemployed in your community?

Answer. There are 1,000 unemployed in this city.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number city is called upon to assist has been quadrupled over number last year and that of two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Our 1931 budget will more than double that of 1930, and civic agencies are taking a substantial part of the relief.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Our increase over 1930 needy relief will approximately be 400 families.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Any donation of funds from the Government would, of course, aid to the extent of such appropriation, but we are against a dole.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Our private relief up to this winter has been the ordinary relief which is always being given everywhere. This season we will attempt to feed 400 more families.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes; if said appropriations are for work or as loans.

8. A brief statement of the general situation in your community.

Answer. This community is going to take care of its own and are sure we will be able to do so.

Very truly,

R. U. HASTINGS, *Mayor.*

MARTINS FERRY

1. Approximately how many people are unemployed in your community?

Answer. Eight hundred depending on charity.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Six hundred.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Increased the poor fund $1,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Four hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Soup kitchen serving 600 daily.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Very discouraging.

WARREN

DECEMBER 17, 1930.

ROBERT M. LA FOLLETTE, Jr.,
Chairman United States Senate
Committee on Manufactures, Washington, D. C.

MY DEAR SIR: I am inclosing copies of letters from the secretary of our community fund and from the superintendent of our State-city employment service, which I requested of them upon the receipt of your inquiry of December 13.

Trusting this will give you the information desired, I am,

Sincerely yours,

W. A. LYNN, *Mayor.*

DECEMBER 17, 1930.

Hon. W. A. LYNN,
Mayor, City Building, City.

DEAR MR. LYNN: Complying with your request for a report on the unemployed and those underemployed. As there has not been a survey made recently, can give no definite figures, but would place them as follows:

Unemployed, 1,200 to 1,500.

Underemployed, 600 to 800.

Hoping this will be the information desired, I am,

Very truly yours,

GEO. J. HENRY,
Superintendent State-City Employment Service.

DECEMBER 17, 1930.

Hon. W. A. LYNN,
Warren, Ohio.

HONORABLE SIR: The suggestion contained in the foreword of the questionnaire handed me to-day—"that the Federal Government share with municipalities and State governments at least 50 per cent over normal expenditures of the increased costs of financial relief because of the widespread unemployment and general economic depression"—seems to me to be an excellent one, provided the Federal Government acts in time to meet the existing emergency and State and municipal governments are able to make appropriations.

And now to the questions:

1. Approximately how many people are unemployed in your community?

Answer. While the approximate number of unemployed is known in this office, I think it best that you have Mr. George J. Henry, superintendent of the State-city employment service, answer this question. It seems to me that he should include those who are underemployed—that is, to the extent that they are unable to support their families and must depend upon relief organizations to supplement their incomes in order to exist. It is certainly a mistake to regard men who have jobs which provide employment for only one or two days a week as being outside the problem group.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the numer last year and that of two years ago?

Answer. While the community fund has been bearing the brunt of the relief burden, due to the fact that the city government could find no additional funds, under the laws of Ohio the city government should have cared for the following families: 1928, 1,156; 1929, 1,433; 1930, 1,595; 1930 is for 11 months only. New cases increasing at the rate of seven per day. It is not fair to compare case loads of 1928 and 1929 with those of 1930. The needs of those applying in 1930 are so much greater—so much more of a permanent nature—than those of the preceding two years.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. City increased its appropriations but little in 1930, having had no funds available. The community fund met the increased demands, using all the reserve funds which it had accumulated in the seven years since its organization.

All relief agencies

City:	
1928	$12,415.88
1929	14,011.54
1930	14,171.62
Community fund:	
1928	38,623.00
1929	40,105.92
1930	83,516.00
Total:	
1928	51,038.88
1929	54,117.46
1930	97,687.62

1929 increase due to increased burden during last two months of the year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Increasing at the rate of seven per day in December; new cases in November, 123. Estimate 100 per cent increase in case load during winter.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. It should help to extend relief to the needy. Can't say whether it would lessen the burden on local taxpayers. Burden rightfully belongs on taxes—local, State, and national.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Eighty-five per cent of the relief in 1930 was extended by private relief agencies participating in the community fund. See 3 above.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Certainly do favor the Federal Government making appropriations under this plan providing State and municipal governments are able to make appropriations. Can't agree with many who say this emergency is a problem to be dealt with entirely by each community.

8. A brief statement of the general situation in your community.

Answer. Alarming! Without substantial increases in appropriations from the city government the community fund can not hope to meet the critical conditions facing this community.

Very truly yours,

THE WARREN COMMUNITY FUND,
G. M. TREAGER, *Secretary.*

NEW PHILADELPHIA

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

DEAR SIR: The mayor of this city has referred your letter of the 13th instance to me for reply, with his recommendations.

The following reply is numerically as your questions are propounded:

1. Approximately how many people are unemployed in your community?

Answer. We have approximately 1,000 people unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The call for aid has increased over last year approximately 200 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago.

Answer. Thirty-three and one-third per cent over last year; about 75 per cent over two years ago.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Two hundred per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. We probably can take care of our present needy.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Community chest has just raised a cash subscription of $9,500. This was not necessary last year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Federal aid would, of course, lighten our burden.

8. A brief statement of the general situation in your community.

Answer. General conditions as to unemployment affecting those depending upon manual labor is considered the worst for many years.

Very truly yours,

CLARENCE W. FERRELL, *City Solicitor.*

ST. MARYS

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Committee on Manufactures.

DEAR SIR: In answer to your letter of this morning, may I say the following:

At the present time there are about 400 unemployed in the city of St. Marys.

Questions No. 2, 3, and 5 I can not answer with accuracy, because in the last few years we have not made any regular appropriation from tax funds for the relief of the poor and unemployed.

The relief question in St. Marys has been handled by the St. Marys Relief Association, an organization whose officers serve without pay and whose funds are supported by popular subscription. I know that their budget this year calls for about three times as much as in former years.

I am heartily in favor of the Federal Government assuming part of the tax burden in the present emergency, as most municipalities are having enough trouble getting money to take care of the different departments of their respective cities without assuming the added expense of providing for the worthy distressed citizens.

The unemployment situation in this city is getting worse, and the factories which have never been known to curtail their time are now only working two or three days a week. We are doing as much public construction work as we possibly can, but that, of course, must necessarily be limited to our funds in hand.

If there is any further information which I can give you, I will gladly do so, and I also would like to give you my assurance, as well as that of other city officials, that I will cooperate in every way that I can to tide us over this period of economic depression.

Very respectfully yours,

WM. UETRECHT, Jr., *Mayor.*

UHRICHSVILLE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

DEAR MR. LA FOLLETTE: In answer to your letter of December 13 in regard to Federal aid for unemployed.

1. Approximately how many people are unemployed in your community?

Answer. We have 400 unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Fifty per cent over 1920 and 75 per cent over 1928.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We budgeted for the same amount this year as last year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Seventy-five per cent over last year, 1929.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. We need help.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have a benevolent society that received $2,600 last year and only able to raise about $1,100 for this year.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. The State and Federal Governments will have to help.

8. A brief statement of the general situation in your community.

Answer. I want your committee to understand that conditions in our city of Uhrichsville, Ohio, are bad, and I thank God that the Senate has wakened up, but they are 12 months late. What can you do for the people? They will starve to death before the honorable Senate wakens up.

You ask if we increased the budget for relief of the unemployed and for the poor this year over last year. We did not, for the reason that the people can not pay their taxes for current expenses. Our city is now delinquent $77,000 and the county close to half a million dollars, and the deficit gets larger each year.

Now, I ask you gentlemen to act quick and please do not misunderstand me, as I warn you that the condition of the great middle class is far worse than you realize.

Very respectfully,

J. W. LYTLE, *Mayor.*

STRUTHERS

DECEMBER 16, 1930.

MR. ROBERT M. LA FOLLETTE,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: As per your request, I am herewith submitting the answers to questions asked in your communication of December 13, 1930.

1. Approximately how many people are unemployed in your community?

Answer. There are approximately 350 people unemployed in our community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons whom the city is called upon to aid has increased just about double over the number last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. It was necessary to increase the appropriation by $4,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We estimate there will be about 500 people asking for relief during the winter.

5. Will the assistance of the Federal Government help to etxend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes; the assistance of the Federal Government will help greatly to lessen the burden on taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Our Struthers Community Fund is the only relief agency in this city; this fund supplies food, fuel, and clothing. Its work has increased about double over previous years.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes. I am in favor of the Federal Government appropriating money for relief.

8. A brief statement of the general situation in your community.

Answer. The Youngstown Sheet & Tube Co. and the Sharon Steel Hoop are the only mills operating in this district, and they operate on a 35 per cent schedule.

Hoping that the above meets with your requirements, I am,

Yours very truly,

T. A. ROBERTS, *Mayor.*

ALLIANCE

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: Answering your letter of the 13th instant, concerning economic conditions in this town, the following are answers to questions submitted:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 1,000 to 1,500 people in the city unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Three to four hundred per cent increase over last year and also of two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. A supplementary appropriation in amount of $1,000 was passed by city council in addition to the regular appropriation for the latter half of November and the month of December.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The number requiring relief during the winter months will be three to four times greater than during the same period of time in recent years.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government would be a great help to the local taxpayer.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The Salvation Army and Red Cross have increased their program two to three times over past years.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. If the Federal Government appropriation were available at the first of the year I would be in favor of the appropriation, otherwise it will come too late to do any particular good.

8. A brief statement of the general situation in your community.

Answer. Alliance is a city of diversified industries, several of which have been staggering their men in their employment; this has helped to a great extent in relieving the local situation, which is not nearly so bad as in some of the surrounding communities.

Yours very truly,

CARL HARI,
Mayor of Alliance, Ohio.

MARION

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator,
Chairman Committee on Manufactures,
Washington, D. C.

DEAR SENATOR: Your inquiry received and will endeavor to answer as follows:

1. Approximately how many people are unemployed in your community?

Answer. One thousand eight hundred unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Fifty per cent over 1929; 75 per cent over 1928.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Two thousand nine hundred in 1928; 3,400 in 1929; and 14,900 in 1930.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Estimate 2,400 out of employment by February, 1931.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Approximately the same as municipal relief.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Things are worse as winter comes on; we are just an average community compared to other cities of the same size. Have endeavored to put forth a large sewer project and employ only those that are at present dependent upon the city, but find that there is no legal way in this State. Our hopes are that the National Government will give some immediate relief to cities that they may go ahead with some project and absorb some of the unemployment.

Hoping this answers your inquiry, and always ready to assist in any way, I am,

Very truly yours,

L. DON JONES, *Mayor.*

NELSONVILLE

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: Replying in point to the questions of your letter of December 13 regarding unemployment in this city:

1. Approximately how many people are unemployed in your community?

Answer. There are approximately 500 men unemployed here. (Population, 1930. 5,322.)

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The city government has extended aid to 75 per cent more persons this year than in 1929, and 100 per cent more persons than in 1928. These figures are approximately right.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Appropriations for poor relief have not been increased in the last two years, but we have not used all appropriated until this year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. There will probably be an increase of 100 per cent in the number requiring relief during the winter months.

5. Will the asssitance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance of the Federal Government will extend relief to the needy, but will not lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Churches and fraternal orders in the city are giving food and clothes to a few needy cases. I estimate that relief extended through these agencies has probably increased 75 per cent over 1928 and 50 per cent over 1929.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has nesessitated?

Answer. I can hardly say that I favor Federal aid, but we do need help in this city, and before the winter months are over some outside agency must help, so whatever the Federal Government can do will be appreciated.

8. A brief statement of the general situation in your community.

Answer. Nelsonville is the center of the Hocking Valley coal-mining district. The mines have worked only part time since 1922. Many families were barely able to get along before the national depression. These families are now dependent for the most part on charity, and have greatly increased the number needing aid. Some one must feed and clothe them before winter is over. This city can not, since taxes have fallen off to the extent that there is barely enough income for the necessities of government.

If I can be of further assistance to you or your committee, kindly consider me at your service.

Very truly yours,

J. W. HICKMAN, *Mayor.*

CINCINNATI

DECEMBER 16, 1930.

Hon. ROBERT LA FOLLETTE, Jr.
United States Senator, Washington, D. C.

MY DEAR MR. SENATOR: In response to your circular letter which was addressed to the mayor of this city and which in turn was handed to me, I am inclosing the following information. The questions which you raised in your letter are being answered in the order in which they were presented:

1. Approximately how many people are unemployed in your community?

Answer. There are approximately 20,000 people totally unemployed and about 25,000 more who are working on a part-time schedule in this community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons whom the city is called upon to aid has increased 100 per cent over the number last year and 300 per cent over that of two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. During 1928 the city department of public welfare received an appropriation of $24,000 for relief. During 1929 it received $30,000, and the expenditures for this item during the present year will probably run close to $80,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. There will probably be an increase of 50 per cent in the number of persons requiring relief during the winter months.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I think that the assistance of the Federal Government, if it is wisely given, will help in extending relief to the needy and will also lessen the burden on the local taxpayer.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Most of the private relief agencies are supported through the community chest. There has been such a great demand for relief that the appropriations have necessarily been increased by $10,000 per month as compared to last year. Last year's relief expenditures were considerably larger than that of two years ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I think that any system which would allow for the Federal Government to share the burden of relief of the cities would require a very careful consideration. I think, moreover, that this problem of relief is to a very considerable degree a local one for each community. I would not, however, be opposed to any Federal assistance, provided that the amount of the appropriations given to each community would be somewhat proportional to the need for such relief in those cities.

8. A brief statement of the general situation in your community.

Answer. The amount of unemployment in this community has steadily increased since the first of the year, with the possible exception of a slight improvement during the spring. While this increase has been continuing, the amount of the increase each month has been getting smaller and smaller. It now looks as though there will be no improvement at least until the first of the year.

Very sincerely yours,

FRED K. HOEHLER,
Director Department of Public Welfare.

TOLEDO

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Senator from Wisconsin, Washington, D. C.

DEAR SENATOR: In answer to the questions contained in your letter of December 13, 1930, please be advised as follows:

1. Approximately how many people are unemployed in your community?

Answer. Eleven thousand five hundred have registered as being unemployed. It is estimated that in addition to this number there must be in the neighborhood of 5,000 to 10,000 who are employed only 1, 2, or 3 days a week.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of families given relief through the central agency in November of this year was 2,881; November, 1929, 645; and in November, 1928, 228. We have opened an institution for homeless men which is taking care of about 400 men daily, giving them food and lodging.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Expenditures this year by the city for food and fuel for the poor, $475,000, as against $56,000 for 1929 and $55,000 for 1928. This does not include approximately $300,000 spent by the city for relief labor.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We anticipate that the number requiring relief during the winter months will increase to between 4,000 and 5,000 families.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Naturally; any assistance that the Federal Government gives to extend relief will lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. There are a large number of voluntary agencies who are doing poor-relief work, such as the Elks, Moose, Eagles, Masons, Catholic, and Jewish and other religious institutions. Most of these institutions are doing four to five times as much relief work as they did a year ago.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. If the Federal Government has any plan of extending relief which will not place too great a burden upon the present taxpayers, which term includes everybody helping to support the Federal Government, I would be in favor of the Government sharing with the city and State relief burdens; that is, if the Federal Government can spread over a number of years the cost of this relief, I think that should be done.

8. A brief statement of the general situation in your community.

Answer. Naturally, Toledo, being an automobile center, has been hit rather hard by the present industrial depression. However, we are fortunately organized to handle the situation to prevent duplication of effort. We are, however, faced with the huge task of raising money during the winter months.

Our community-chest campaign does not occur until next April. Consequently, up to date we have not been able to get any great additional help from that source.

Toledo is one of the few cities in this section of the country in which the city government has assumed the burden of the greater portion of the relief work which is being done.

Very truly yours,

W. T. JACKSON, *Mayor.*

EAST PALESTINE

1. Approximately how many people are unemployed in your community?

Answer. Two hundred fifty.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. One hundred per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Same as now.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Local relief board; increase, 50 per cent.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Factories running about 50 per cent. Retail business very bad.

CONNEAUT

DECEMBER 17, 1930.

Hon. Senator ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: In the month of October, 1930, the city of Conneaut, through its port commission, requested the War Department to complete the west arm of the present break wall to help relieve the local labor situation by building approximately 3,000 feet extending from the west end of the uncompleted present break wall to the shore line.

The War Department acted on this request promptly by setting a date in December of this year for a public hearing.

We believe that the War Department will approve this project, as there has been built approximately 9,000 feet of break wall, dredged channels on both sides of Conneaut River, Government pier, and have modern lighthouses. The shelter made under the present break wall is entirely occupied by the United States Steel Corporation.

Under the present condition Conneaut has no opportunity to develop further shipping facilities nor has the city of Conneaut any public shipping facilities by water, although it is favorably located industrially to develop future shipping. There is no possibility of doing so unless the Government will close the gap in the present break wall so as to protect the shore line, which belongs to the city of Conneaut, and which will give them a chance to develop approximately 5,000 feet of shore line.

The immediate extension of this break wall by the Government will be an expenditure well spent, and with the city of Conneaut's anticipated harbor improvements will certainly relieve the labor situation here and the surrounding territory of Conneaut.

We believe that if an investigation of what has been done here and what the city of Conneaut is asking for is made, it will be plain to those in authority that we are asking for a project which will benefit a great number of people and that the request is not in advance of a necessity.

We hope that a proper presentation of our necessity to the War Department for break wall extension will meet with their approval and the approval of our lawmakers in Washington. Up to the present we have met with prompt action from those in authority.

Whatever assistance you may be able to render the citizens of Conneaut on above improvements and relief will be appreciated.

Hon. Senator ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: Re: Unemployment situation.

Replying to your questionnaire of December 13 on above subject:

1. Approximately how many people are unemployed in your community?

Answer. Two thousand five hundred.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. One hundred per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. One hundred per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Fifty per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes; with the assistance of Federal Government by improvements to Conneaut Harbor. (Letter on the subject inclosed.)

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Fifty per cent increase.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. Letter inclosed.

Yours very truly,

ROY A. PEASE, *Mayor.*

CUYAHOGA FALLS

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SIR: In reply to your letter of December 13, I am pleased to report to your inquiry by paragraphs as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately there are 700 people, or 12½ per cent, of the population of Cuyahoga Falls now unemployed. Total population is 20,000.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. In the winter of 1929–30 relief load had tripled itself over the previous winter. Winter of 1930–31 the need of assistance has doubled over the winter of one year ago. In December of 1929 relief was given to 172 families. December, 1928, there were 69 families. December 1930, 248 families.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Relief appropriations: 1929, $2,219; 1930, $11,000; 1931, $11,000, with a possibility of a special appropriation for the coming year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Due to the promise of the rehiring of men the first of the year in Akron rubber factories, I do not believe the increase will be exceedingly great. The relief load may reach about 300 families.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The welfare association of this city is a member of the Better Akron Federation receiving funds from the community chest: 1929, $7,500; 1930, $10,000; 1931, $12,000.

8. A brief statement of the general situation in your community.

Answer. A statement issued by the secretary of the local chamber of commerce: "As this community is mainly residential, neither noncommercial, nor a manufacturing center, the condition may be stated as fair to bad, not fair to good. There are small concerns located in Cuyahoga Falls that have maintained some staff."

If I can be of further assistance along this line, would be pleased to hear from you.

Very truly yours,

GEORGE D. PORTER, *Mayor.*

TENNESSEE

KNOXVILLE

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Senate Office Building, Washington, D. C.

DEAR SIR: Your letter of December 13:

1. Approximately how many people are unemployed in your community?

Answer. Thirty-four hundred. This has been diminished by the employment of approximately 400 men under an emergency appropriation.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Approximately eight times that of last year, which was practically the same as the previous year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We have made one appropriation of $150,000, which is now being used in employing hand labor in street work, and have appropriated $40,000 to our charities organization, for which all able-bodied men are working, principally on parks and playgrounds. About 100 men a day are being used through this appropriation, besides hundreds of families who are being helped where there is no able-bodied breadwinner.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We are hoping that there will be no increase in the next three months, although we greatly fear a 20 to 25 per cent increase in the demand for relief.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The fund proposed by economists and welfare workers, to be provided by the Government and offered to cities who would match it dollar for dollar, was, in my opinion, the most sound suggestion made for relief of unemployment, and one which I can not urge too strongly that you attempt to establish. Knoxville would be very glad to use at least one-half million dollars of such a fund, and I believe this would tide us over until we can become reorganized and business improves.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Our principal relief measures are being carried through by an unusually active relief committee, whose chairman, Mr. E. W. Ogden, a local welfare worker, is intensely interested in this class of work. He is cooperating closely with Mr. Frank Bane, President Hoover's regional director, who has been to Knoxville several times, and who has cooperated with us in helping the situation here. This is the first year we have had such a committee.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I certainly favor the Federal Government appropriating any sum that will be sufficient to meet the present emergency, and believe if this is not done not only may we expect suffering among those who are unable to obtain a job but we will have failed in our respective governmental places in the fundamental principle of government—that every man is entitled to a job.

The situation in Tennessee is probably worse at this time than any other section of the country because of two facts—one is the terrific drought of the past summer, which left the farmers suffering and without means to pay their bills, and the other is the collapse of the Tennessee investment house of Caldwell & Co., carrying with it five or six large banks and a score of small ones throughout the country. Knoxville is a city of 105,000 (Federal census), and has at this time only one national bank, due to the recent failure of one of our largest banks and the consolidation of another with the present institution.

Two things that would be of immense benefit to the South at this time would be the immediate inauguration of the Mississippi Valley river-improvement program, which includes the erection of the Cove Creek Dam and the auxiliary dams between it and Muscle Shoals, and steps to immediately begin development of that part of the Great Smoky Mountains National Park, which has already been turned over to the Government, and building roads and hiking trails and developing tourist camps throughout that tourist paradise.

Permit me to express to you my admiration of the work of your father in the Senate of the United States at a time when the ideas he advanced were not thought as sound as those same ideas you are standing for to-day.

If there is any further information I can give, do not hesitate to call on me.

Sincerely yours,

JAMES A. TRENT, *Mayor.*

DECEMBER 17, 1930.

Senator ROBERT M. LA FOLLETTE:

Most heartily approve plan to relieve unemployment as outlined by you to Mayor Trent and urge prompt action by Federal Government. City is helping, but problem too great and employment on national and State projects appears only possible means of meeting situation.

A. L. CHAVANNES,
Secretary-Manager Community Chest.

CHATTANOOGA

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE:
Washington, D. C.

MY DEAR SIR: Replying to your inquiry, would say that approximately 3,500 people are unemployed in this community. The city's expense for relief will probably be more than 100 per cent as compared with two years ago. I do not believe the situation will get very much worse than it is now.

Certainly Federal assistance would lessen the local burden. General relief is being extended by private agencies; this is probably 100 per cent greater than two years ago. I do believe the Federal Government should appropriate funds and share with the city governments in the increased cost of the present burden.

This is an industrial community, but a great many of our industries are working part time, and practically all are working reduced forces. Our city government is providing work wherever possible by development of municipal improvements. So far as I know, the State of Tennessee has done nothing along this line but, along with the Federal Government, seems content to advise already overburdened municipalities what they should do.

This situation should have been faced months ago, and red tape should have been cut out and the Government at Washington should have inaugurated Federal Government work that would help take care of the people who are now unemployed. It is impossible for municipalities to suddenly develop sufficient work to take care of this emergency. Winter is upon us and there is nothing to do except to appropriate funds to feed large numbers of our people.

If war should be declared upon this country I hardly think the Federal Government would waste months in taking steps looking to the defense of our country. It occurs to me, when our people are hungry and out of work, it is the same sort of emergency that would require the elimination of red tape and immediate action. Still authorities at Washington fiddle while the people go hungry.

Trusting this is the information you desire, I am,

Yours very truly,

E. D. BASS, *Mayor.*

NASHVILLE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of December 13, 1930, received, and I shall endeavor to answer your questions seriative.

1. Approximately how many people are unemployed in your community?

Answer. It is impossible to state the number of unemployed in this city at this time. The number shown by the Federal census taken last April was, in round figures, 1,600, a trifle over 1 per cent of the population of 153,153.

I have heretofore estimated that not more than 25 per cent of the total unemployed in April, say, in round figures, 400, were unemployed as the sole result of the business depression. The remainder of the unemployed in April, say, in round figures, 1,200, represented those out of employment by reason of various causes, such as inventions of labor-saving machinery and processes, the application of speeding-up and efficiency methods in business and production, mergers and consolidations, and the application of the chain system in business, old age, ill health, and personal disqualifications.

It is my opinion and mere estimate that the number of unemployed due solely to the business depression has now increased to approximately 600.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The city government does not undertake directly to dispense charity or to aid the unemployed. All public work of the city, within its financial ability, is being carried on without interruption, and preparation for additional needed public improvements is going forward as rapidly as possible.

A committee composed of a large number of representative business men has been organized through our local chamber of commerce for the purpose of aiding employment. That committee, without self-exploitation or blare of publicity, is diligently seeking to help the situation by preventing the reduction of working forces in plants and industries by inducing owners and executives to begin now all contemplated improvements, extensions, and repairs of plants and properties, by urging our citizens generally to make all needed repairs of their property now, thus furnishing employment for the odd-job men and the unskilled workers, and by promoting a "buy-now" campaign to induce our citizens to make all needed purchases of goods and materials.

There is a public governmental agency for dispensing charity and furnishing relief in the city. That agency is the Davidson County Charities Commission, which is supported by appropriations made by the quarterly county court, by the city of Nashville, and by contributions from those who are charitably disposed. The commission has a general secretary and trained investigators for the performance of its functions.

For the first 11 months of 1930 the number of applications made to the commission, where relief was given, was 72 per cent greater than for the similar period in 1929 and 88 per cent greater in amount of relief for the first 11 months of 1930 than for the similar period in 1929.

The figures would show an even greater increase in number of cases relieved and amount of relief in 1930 as compared with 1928.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The city is limited by charter to a maximum appropriation of $10,000 for the use of the Davidson County Charities Commission and can make no other appropriation of its public funds for charitable purposes.

In 1928 the city appropriated $3,500 to the support of the commission; in 1929, the sum of $3,500; in 1930, the sum of $6,000; and is expecting to appropriate the maximum sum of $10,000 in 1931. The budget of the city for 1931 will be adopted December 31, 1930.

The county appropriated $25,000 to the commission in 1929 and the same amount in 1930. The fiscal year of the county runs from July 1 to June 30.

It is expected that the county court will procure legislative authority in January for the transfer of additional funds to the use of the commission, probably an additional sum of $15,000, making the total appropriation of the county for the fiscal year from July 1, 1930, to June 30, 1931, the sum of $40,000.

It is to be understood that the relief furnished through the Davidson County Charities Commission is confined to the corporate limits of the city.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Relief furnished through the Davidson County Charities Commission for 1930, where the cases were due to unemployment, were 132 in number and in amount 47 per cent of all relief, as compared with the number of 89 in 1929 and an amount of 39 per cent of all relief in 1929.

It is more or less speculative, of course, but it is estimated from the experience for September, October, and November, 1930, that the number requiring relief during the months of December, 1930, and January and February, 1931, will probably be 100 per cent greater than for December, 1929, and January and February, 1930.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The assistance of the Federal Government would help, of course, to extend relief to the needy and lessen the burden on local taxpayers.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. I find it difficult to answer this question with any accuracy. We have had for some 10 years a community chest, with 33 beneficiary charitable organizations. Funds for the community chest are raised by subscriptions of citizens and business firms and corporations. There has been pledged to the community chest for 1931 in the campaign recently closed, in round numbers, the sum of $258,000. If my memory serves me right, that is some $25,000 more than was pledged for 1930 and for 1929.

In addition to the community chest, the Salvation Army, which is one of the beneficiaries of the community chest, is engaged in the effort to collect shoes and clothing for the relief of the distressed and needy. There is at least one local committee in one section of the city that is raising funds for relief in that particular section. There are also parent-teachers associations connected with the various public schools that do helpful work in the relief of distress and need in their several localities. Then there are the various churches and fraternal orders that are looking after the needs of such of their members as may be under stress.

There is no way of making an estimate of the amount of relief that is being or may be furnished through all these private agencies.

I am sure, however, that the amount of relief being furnished through these private agencies has quite considerably increased as compared with 1929 and 1928.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I have been, as a rule, disposed to question the wisdom of Federal Government appropriations for aiding States and cities in the relief of distress unless in the case of some overwhelming disaster or catastrophe. At last the burden falls on taxpayers. All governmental aid tends to relieve the people who are able to contribute to local relief agencies and to remove from them the discipline of heart and conscience and a quickened sense of duty to their fellows. Governmental aid that is not absolutely necessary in a great emergency tends to pauperize the spirit of individuals, of cities, and of States.

If we could be sure that the business depression would begin to disappear within the next few months, I should not favor the Federal Government appropriating a sum of money that would share with the city and State governments the increased relief burdens that the present emergency has necessitated.

On the other hand, if the business depression should continue, or get worse, then the aid of the Federal Government and the cooperation of all governmental and private agencies might be required, to the end that suffering and distress should be relieved and that helpless citizens—men, women, and children—should not perish in a land where there is an abundance of all things needful for life produced.

8. A brief statement of the general situation in your community.

Answer. The general situation in our city is probably very much better than in more populous cities whose supporting industries are at present languishing. It seems at this time that our provisions for taking care of the situation are adequate. But the difficulty is that we do not really know what the winter months ahead will disclose. In that uncertainty the wisdom of taking time by the forelock and making provision against conditions of distress that may develop would seem to be amply justified—nay, even required—on the part of our Federal Government.

Sincerely yours,

HILARY E. HOWSE, *Mayor.*

JOHNSON CITY

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, JR.,
United States Senate, Washington, D. C.

DEAR SENATOR: Answering your letter of December 13:

1. Approximately how many people are unemployed in your community?

Answer. We have about 150 heads of families that are unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Fifty per cent increase over last year and about 25 per cent increase over two years ago.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We make no direct appropriation for the relief of the poor or unemployed except for medical and surgical attention to and burial of the poor. Appropriations of this character have varied little during the last two years. We are now carrying on some public improvements under bond issues, totaling approximately $50,000, that we, perhaps, would not do at this time but for unemployment conditions.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. As above indicated, there will be an increase in the number requiring relief of about 50 per cent this winter over last.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have consolidated the means and efforts of all local public-welfare agencies in the execution of plans for relief of the poor and I have appointed a special committee on employment. Our community chest raises funds annually for carrying on the work of the Associated Charities, Red Cross, Salvation Army, and some other local institutions. They undertook to raise 50 per cent more for the community chest this year than last, but failed to raise the required amount.

We have established a community store to which our citizens contribute food, fuel, and used clothing and shoes, and, of course, funds collected for that purpose are used in the purchase of such supplies. I should say that the public is giving twice the amount they gave last year. The city is furnishing free wood to the needy who will cut it. We transport them to and from our woodland and haul the wood when cut without charge.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No; not as a gift to be distributed in the form of charity. Yes; if the money is to be used to make needed public improvements and in that way furnish people employment and an

opportunity to earn a living. For example, I understand plans have been approved by the Government for spending almost a million dollars here in enlarging the local soldiers' home. If this work could be started soon, it would materially aid in the solving of our unemployment problem. Speeding up our Federal and State aid road projects would help wonderfully. But the greatest boon that could come to our section of the country and, for that matter, I think, the Nation, would be the early enactment into law of a bill providing for the operation of Muscle Shoals and the construction and operation of Cove Creek Dam by the Federal Government.

8. A brief statement of the general situation in your community.

Answer. To the foregoing I would add that the production of our industrial plants is below normal and bids fair to be further reduced.

I wish to commend you and other public officials for any sound remedies you may provide for the relief of our numerous public ills.

Cordially yours,

W. B. ELLISON, *Mayor.*

JACKSON

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, JR.,
Washington, D. C.

DEAR SIR: Replying to your letter under date of December 13 in regard to the unemployment and economic conditions in our city, I desire to say that we have, at this time, about 500 out of employment. We are being called upon to furnish aid to at least four times as many as in either of the last two years. The city has not yet increased its appropriations, but our different charity organizations are attempting to raise four times as much as they have needed in past years. We know that the number needing help will increase as the weather grows colder, but it is hard to say just what this increase will be.

We have been able to take care of the situation in our city and see no immediate need of Government help unless it be to create jobs for people who want work and can not get it. We have outgrown our Federal building in Jackson and our Representatives in Congress have been trying for several years to get an appropriation for either an addition or a new building. If work of this kind could be started now where needed, it would be worth more to the Government and the people than to attempt to hand out money or goods for nothing. We have a city charity board, the Salvation Army, the Volunteers of America, the American Legion, and several lodges, all doing charity work in our city; and, as stated above, it has increased at least four times over previous years. I believe that the Federal Government should appropriate its money for purposes that will create work for the idle to do rather than to sustain them in idleness. There are more people out of employment in our city at this time than ever before, still we are not in as bad shape here as some other places. We could take care of our own people but, as this city is a railroad and highway center, we are sometimes swamped with poor from other places. If conditions continue to get worse and we should have a really hard winter, then Federal aid to charity may be needed.

Yours very truly,

LAWRENCE TAYLOR, *Mayor.*

KNOXVILLE

DECEMBER 18, 1930.

Senator ROBERT LA FOLLETTE,
Washington, D. C.

DEAR SENATOR LA FOLLETTE: Mayor James A. Trent of our city explained your plan for the relief of unemployment. Those present at the meeting were enthusiastic for it and sincerely hope that you will be able to put this bill through.

Tennessee has been hard hit in many ways: First. Drought, which has ruined many of the farmers' crops. Second. General business depression, because of which a number of men have been laid off. Third. A number of bank failures; one in Knoxville alone which it has been stated had 35,000 bank depositors.

The city has done what it could toward appropriating money for the unemployed men to work on streets, and the associated charities, but this will leave, according to the best estimate, about 2,000 unemployed men and women during the winter. It seems to us unless Federal aid is given soon there will be intense suffering during January and February. It seems to the writer that the time has come to place the welfare of human beings higher than the almighty dollar.

Wishing you great success in your good work.

Yours very truly,

E. W. OGDEN,
Chairman Advisory Employment Committee.

TEXAS

FORT WORTH

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, JR.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Your circular letter of December 13 addressed to the mayor of Fort Worth was turned over to me for reply. The reply which I make combines my personal views with those of the mayor.

Our estimate of the number of unemployed in this community now is 5,000 as against a normal unemployment of probably 2,000. These figures are furnished to me by Mr. C. W. Woodman, in charge of the Federal Labor Bureau in this city.

During the year ending September 30, 1928 (this being our fiscal year), our city welfare department handled 3,028 cases; during the year ending September 30, 1929, 5,974 cases; during the year ending September 30, 1930, 10,275 cases. New cases in November, 1928, were 19. New cases in November, 1929, were 177. New cases in November, 1930, were 421.

The year ending September 30, 1928, which is the first year in which the city of Fort Worth embarked into the welfare work as a municipal activity supported from taxation, our appropriation was $55,000. The year ending September 30, 1929, our appropriation was $65,000. The year ending September 30, 1930, our appropriation was $72,500, while the actual expenditures were $112,086. Our appropriation for the ensuing year is $100,000.

The increase in the number requiring relief during the winter months this year is largely problematical. We had anticipated that the requirements would not exceed those of last year, as last year was unusually severe here. If the unemployment situation is not relieved, there will be a material increase during the winter months as compared even with the past winter.

The question is asked, Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers? My personal view, which coincides with that of the mayor, is that the problem of local relief should remain a local problem. Each locality can best take care of its own condition. Federal aid would be too slow in reaching us to be of any real benefit.

The relief extended by private agencies is very largely financed by our community chest which takes care not only of many agencies dealing with relief work but also aids in the various character-building agencies. The amount raised last year was about $258,000. The amount asked for and which will be subscribed this year is $277,000. The poor relief taken care of through the community chest largely goes to the Volunteers of America and to the Salvation Army. Also, at the present time a used-clothes depot has been established in this city, through which already some 10,000 garments have been passed from those who no longer use them to those who are in need of these various garments.

You ask, "Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?" As above stated, our view here is that these problems are local problems and should be met by those localities. The Government can aid and materially aid by hastening the work on Federal buildings planned for this city, which plans, I believe, are all ready to carry out. As before stated, the regular delay in connection with Federal aid would permit our citizens and citizens in other parts of the country to starve to death before succor was furnished.

Our situation in Fort Worth, while bad, yet if compared with the situation in some other localities, is not so bad. The city and the county are doing a very large amount of public improvement work, and we will start in January probably projects involving an additional $600,000 outlay, which should tend to relieve the present unemployment situation somewhat and that, in my way of thinking, is the best remedy for the present condition—namely, hastening the construction of any public work which can at this time be done, whether or not the same be Federal, State, county, or municipal.

I will be very glad indeed to cooperate with you in any way which is possible.

Very truly yours,

O. E. CARR, *City Manager.*

DENTON

1. Approximately how many people are unemployed in your community?

Answer. One hundred.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Fifty per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. One hundred per cent increase.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Five hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. No.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. United Charities.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. Population, 10,000.

We own our water, light, sewer, and are making improvements all along, using 75 to 100 men all the time and changing every

few days. A budget of $2,500 has been raised and turned over to me as head of United Charities, and we will handle the local situation fine and take care of the floating population the best we can.

The thing that worries me is, "Is the situation going to ever improve under present conditions?"

B. W. McKENZIE,
Mayor and Head of United Charities, Denton, Tex.

PARIS

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of the 13th instant, with the various questions pertaining to the economic conditions of this community, is quite interesting, and wish to advise that we have studied this situation at length. I beg to answer the inquiries as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately one-third of the laboring class of our community are unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. An increase, I believe, of over 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Due to conditions the city of Paris has increased its annual appropriations $10,000 for the sole benefit of relief to the unemployed. We have placed extra men on the pay roll to do extra work that was not originally scheduled in first budget.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. No doubt there will be four unemployed this year to one of last year requiring aid.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I truly believe it is the duty of each community, county, and city to take care of its or their own needy. This eliminates so much overhead expense to the taxpayers, in my estimation. It has to be paid, and first hand is much better and more easily done.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. There are in Paris the following charity organizations: The King's Daughters, the Red Cross, and the Children's Aid and Protective Home. (b) The increase in expenditures by these various organizations will likely mount to 400 per cent above last year's aid given.

Regarding Paris area and its unemployed, will state that we have calls every day for employment. The King's Daughters' supervisor, with office in the Municipal Building, reports three times as many calls for aid as received this time last year.

Trusting this information will be beneficial to you in your endeavors to aid the unemployed, and with best wishes for your every success, I am,

Very truly,

J. M. CROOK, *Mayor.*

WISCONSIN

WAUSAU

DECEMBER 17, 1930.

Hon. ROBERT LA FOLLETTE, Jr.,
United States Senator, Washington, D. C.

DEAR SIR: I have your letter of December 13 relative to a proposition of having the Federal Government aid State and local governments in the matter of unemployment and poor relief, and in order to aid you in your position to act more intelligently you are requesting information of the various municipalities of the State of Wisconsin, of which you have the honor to be a Senator. In order to understand the situation more clearly and to what extent the various municipalities are and will be burdened on account of the general unemployment situation, I will try and answer as briefly and intelligently as I possibly can the following questions:

1. Approximately how many people are unemployed in your community?

Answer. We have approximately 400 unemployed in our community.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of people that the city of Wausau is called upon to aid that might be over and in excess of last year is about 20 per cent; and that of two years ago about 35 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. We have increased our appropriation for relief to the unemployed and the poor this year to the extent of about 20 per cent; and of two years ago about 30 per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. We estimate the increase in the number requiring relief during the winter months will not affect the amount of appropriation made for that purpose for 1931.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I believe, for the present time at least, that the Federal Government should not be invited to help or extend any aid to any of the State or local governments. I feel sure that local communities are well able to master the situation with much less expense and be more successful than with having the Federal Government share in any local relief matters.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have a private relief agency under the title of "Federated Charities." The funds for this institution were raised this year by our first Community Chest drive, and the amount available in this fund is in excess of the amount contributed for the same purpose over the last year by about 100 per cent; and of two years ago by about the same proportion.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I, personally, and I believe that the people of Wausau, are not in sympathy with having the Federal Government appropriate any money or take any part in this matter of local relief on account of the present temporary depression. The local governments, I believe, should be left alone to work out their own salvation, and I am sure they will do it with much less expense, and be more satisfied without any dictation from the Federal Government. Personally I feel that the Federal Government has been, and is being, called upon to take part in State and local affairs that will sooner or later react and, no doubt, while your heart might be soft and sympathetic to the unfortunates of our country, yet the Federal Government, no doubt, has many other more important matters to solve, and if the State and local governments will be charged with handling this temporary relief problem it will be done to the satisfaction of all concerned.

8. A brief statement of the general situation in your community.

Answer. While the situation in Wausau is a little unusual, still I can not see any reason why we should lose heart or get panicky just because we have a little cloudy weather in the general business of our country; and the sun will again shine and, perhaps, brighter than heretofore. In general I am opposed to any Federal Government aid in connection with the temporary unemployment situation.

Yours very truly,

OTTO MUENCHOW, *Mayor.*

BEAVER DAM

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SIR: In reply to your letter of December 13, 1930, will say that I have carefully investigated the employment situation in this city and will answer your questions as follows:

1. Approximately how many people are unemployed in your community?

Answer. Approximately 200 men and women, with 800 dependents.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. An increase of 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. From $1,000 to $2,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. All depends on the severity of the weather.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The Associated Charities have collected over $5,000 in cash and tons of clothing and provisions, which are being given to worthy families. Church and fraternal organizations are also doing relief work.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No. Give the World War veterans their bonus money is all the Government needs to do. The State and municipal governments can take care of their dependents.

8. A brief statement of the general situation in your community.

Answer. Everyone is cooperating to relieve the present unemployment situation. Our people do not want charity; they want work. Let the people who have enormous incomes pay a just income tax. Start public improvements of all kinds; pay living wages, not just enough for the toiling masses to exist on, for it is the purchasing power of the masses that gives us prosperity. It is not overproduction that is causing the trouble in the United States and all over the world. It is underconsumption. People are going in rags, freezing and starving, because they have not got money to purchase what they need.

Provide work at living wages for the farmer, laborer, miner, and all classes who exist upon their daily toil and they can then purchase what they need and everybody will be contented and happy, and our merchants will be doing a good business, which will keep the manufactories running to capacity. Starvation wages, high taxes, and high rents are causing the depression of to-day.

Automobiles, moonshine, and buying on the installment plan are also doing their share to wreck business.

Respectfully,

RAE WEAVER, *Mayor.*

EAU CLAIRE

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SIR: Replying to your letter regarding economic conditions, there are approximately 400 men and women unemployed in our city. The number of persons whom the city government is called upon to aid has increased 100 per cent compared to the years 1928 and 1929.

I would estimate the increase in the number requiring relief during the winter of 1930 compared with 1928 and 1929 about 60 per cent more.

Regarding relief extended by private relief agencies, we have a number of agencies extending relief and all of them have much more money for relief than in 1928 and 1929.

Very truly,

FRED. STUSSY, *Mayor.*

JANESVILLE

DECEMBER 17, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

MY DEAR SENATOR: This letter is in response to your questionnaire of December 13, 1930, and covers the city of Janesville, Wis.

1. Approximately how many people are unemployed in your community?

Answer. I would say that approximately 300 people are out of work in the city of Janesville that can be classed as unemployed. In this number I have not attempted to include those seasonable workers who at all times have not worked during the winter months.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The material relief in this community is given by the county rather than by the city, but in a conference held the other day with the commissioner of Rock County, who handles this relief, he informed me that the number who are calling for aid as compared to last year is about 30 per cent higher and that last year's requisitions were normal and about the same as they had been for 8 or 10 years previous.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. In answer to this question I again call your attention to the fact that relief is handled under the county system and the county board at its meeting in November doubled their appropriation for the year 1931 over the year 1930. As I understand it, this was not done with the idea that the entire appropriation would be spent; but if the conditions got worse the money would be available. The appropriation for the year 1931 was placed at $35,000 for all of Rock County and includes all the cities and villages in the county.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. It is hard to say whether there will be any further increase in the number requiring relief during the coming winter, as most of the plants appear to be operating in good shape, although not on full capacity. From what I get from talking to these officials they say that they will operate clear through the winter. Incidentally, I might say that most of the unemployed here are a direct result of the closing down of the Rock River Woolen Mills. About a month ago they closed their plant up completely, throwing about 175 men and women out of employment. I had a conference with the president of this firm last week, and from the condition of things in the woolen industry it is very problematical when this plant will reopen.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. There isn't any question if the Federal Government steps in and helps extend relief to the county that any savings effected will be reflected on taxpayers' bills in this county.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. We have perhaps six different relief agencies operating in this community; namely, Elks' charity fund, railroad organizations, Red Cross, and soldiers' relief organizations. I have talked to all of the directors of these various relief organizations in Janesville, and we have a citizens' committee that is working with all of these organizations. Their last report, made on Monday, December 15, stated that they had sufficient funds on hand to carry them through this winter in very good shape. The funds that they have collected this year have not been increased over any of the previous years.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I do not know how to answer this question, and would hate to say offhand just what should be done. Personally, the giving of relief is very easy, but it strikes me that there ought to be some other angle at which this problem should be approached, and I have had a sneaking thought that industry should be educated up to the extent that it is their duty and part of their obligation to adjust salaries, working conditions, hours, and retirement schemes so that these things should not be made a matter of Government concern, unless there is a complete breakdown on the part of industry in doing its share. I know from experience that Government work itself can never hope to relieve this condition of unemployment, as Government and municipal workers form a small percentage of the total number of workers. I recall right here in Wisconsin the city of Racine is now putting on the largest public-building program consisting of various types of public work, and in a conference with Mayor Armstrong recently he told me that the city had never been in the condition it now is in the matter of unemployment.

8. A brief statement of the general situation in your community.

Answer. In general, conditions in the city of Janesville are a whole lot better than they are in other industrial cities of our type and size in Wisconsin. I believe the situation here is well in hand, and that all those who require help and assistance will be taken care of as they have been in the past in this community.

Very truly yours,

HENRY TRAXLER, *City Manager.*

MADISON

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SIR: I have your letter of the 13th instant with reference to the economic conditions in Madison, and I am glad to submit the information requested.

1. Approximately how many people are unemployed in your community?

Answer. A survey made in June indicated that approximately 16 per cent of our 21,800 employable citizens were out of work. This includes sons and daughters who have been working at various times part time in some of our factories and whose employment represents the difference between luxuries and necessities in these families. It is my opinion that, at the present time, there are approximately 2,000 men and 800 women without employment, and I am only considering in this number those people who must be employed to insure their being able to meet the actual necessities of life.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. We have recently registered 578 men as being unemployed who have asked for aid. This is probably about 400 more than have applied for aid in previous years.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Prior to this year it has not been necessary for the city of Madison to make any appropriations of consequence to the relief of the unemployed as the budget of the Community Union, amounting to approximately $100,000, has provided ample funds. This year approximately 20 per cent more money is available through our community chest, and the city has provided work for about 50 men and expects to provide further work this winter, if found necessary. The president of the Community Union has intimated that if the city will appropriate $6,000 for the use of the Public Welfare Association, over and above the amount which this association receives from the community chest, it will enable this association to meet the demands until approximately April 1, which involves a total expense of approximately $30,000. Ordinarily a fund of $20,000 was sufficient to last the entire year, and the city will of necessity have to provide a considerable amount of money after April 1, when this fund is exhausted, which will all be in excess of the money previously appropriated for unemployment relief. The amount which the city will have to provide will depend upon the industrial and business situation.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. If we are able to limit the number of families requiring relief before the winter is over to 600 more than ordinarily require relief, I feel that we will be fortunate, and it is my opinion that in excess of 600 families more than have been provided with relief other years will have to be taken care of.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. See answers to questions 2 and 3.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. The report of the industrial commission for Madison covering 35 identical firms shows that on August 30, 1929, these firms employed 5,193 people, and that on August 30, 1930, the same

firms were employing only 4,247 people. Conditions have not improved since these figures were obtained, and I doubt whether there are more than 3,500 people employed in these 35 industries at the present time, and many of these that are employed are working on a part-time basis.

In building construction only about 75 per cent of the number of men which were employed at this time a year ago are now employed, and recent figures indicate that there are 500 building mechanics out of work as well as nearly twice that number of common laborers.

The construction work which is now being done by the city of Madison was instituted largely for the purpose of providing employment for common laborers, and hand methods are being substituted for machinery. This fact, together with the fact that the work is being done in the wintertime is increasing the cost at least 25 per cent. This work is being financed by a bond issue, and is the type of work which could logically be deferred until a later date were it not for the necessity of providing employment. We have a considerable quantity of additional work which could be done were money from the Federal Government available to pay the increased cost of this work over its cost under normal conditions.

We are strongly of the opinion that any money provided by the Federal Government should be allocated in such a way as to provide wages for men out of work rather than for pure charity relief.

Respectfully yours,

A. G. SCHMEDEMAN, *Mayor.*

RHINELANDER

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senator, Washington, D. C.

DEAR SENATOR: I have your inquiry of the 13th concerning the matter of Government aid in relief funds to municipalities. I will answer your questions in the order given as follows:

1. Approximately how many people are unemployed in your community?

Answer. At the present time there are approximately 200 people out of employment. Of these about 125 are heads of families.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. We operate under the county poor-relief system and I believe the demands on them over the previous two years have increased approximately 100 per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The county has not materially increased its appropriation for poor relief so it has been necessary to raise additional funds through private solicitation. The amount so raised being approximately equal to the county appropriation.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. I believe we are pretty close to the maximum number requiring relief at the present time.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Assistance of the Federal Government would not appreciably affect the taxpayers except indirectly by relieving them of private donations to poor relief.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. A citizens' committee appointed by myself has been functioning for some time and their work has consisted of raising funds and distributing supplies. This committee is taking over all surplus demands not taken care of by the county or other relief agencies. This is entirely additional to previous years.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I believe that more good can be accomplished by the Federal Government using all available funds for public-work construction and thus giving employment rather than through direct participation in relief work. Each community is better equipped to handle its own problems and the demands are not excessive. It appears that a donation of about $1 per capita covers most relief programs.

8. A brief statement of the general situation in your community.

Answer. Our community is rather highly industrialized and as a result has a rather serious problem in unemployment. However, we are not experiencing any great difficulty in handling the relief program and it is not creating any great hardship on anyone. We have had occasion to experience the benefits of the Government building program as recently our local flooring factory received a substantial order for maple flooring for a post-office building that will keep it busy for some time.

I trust this will give you the information you desire.

Very truly yours,

THEODORE M. WARDWELL, *City Manager.*

RACINE

DECEMBER 16, 1930.

Hon. ROBERT M. LA FOLLETTE, JR.,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying to your inquiry of the 13th instant, I beg to submit the following answers to your questions:

1. Approximately how many people are unemployed in your community?

Answer. From an unemployment survey which we took three weeks ago we found 3,200 registered as being without employment.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. The number of persons who the city government is called upon to aid has increased from 120 families last year and 89 families two years ago to 700 families on December 1, 1930.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Our appropriation for poor relief this year is $125,000; for 1929, $25,000; and for 1928, $30,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. From present indications, I am of opinion that we will have a 50 per cent increase in the number requiring relief during the next few months.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Only yesterday, in reading of the appropriation bills that have been presented to Congress for drought and other relief, I had a thought of wiring you suggesting that the Government make appropriations to assist in relieving the suffering among the unemployed. Racine, for example, is an industrial community. Sixty-one per cent of the assessed valuation of real estate and buildings is on homes, and probably 90 to 95 per cent of this amount is homes of working people. The burden that is now falling upon them for relief of the unemployed will amount to probably $1.50 per thousand of assessed valuation. Many of these home owners are either working a very short time or are among the unemployed.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The private relief agencies have had the same percentage increase that the city has had, although their efforts are devoted to partial relief; in other words, assisting families who have some earnings but not enough to pay for rent, foodstuffs, and clothing.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I will complete the answer to question No. 5 by advising that I believe the Federal Government should appropriate a sum of money that will share with the city the increased relief burden which the present emergency has necessitated. This can not be brought about by an appropriation of $150,000,000 for good roads, as but a small percentage of that total will go to labor.

8. A brief statement of the general situation in your community.

Answer. Notwithstanding the splendid efforts on the part of the industries of this community to keep as many men employed as possible by grouping them in shifts on short time, the relief situation has become so acute that I called a mass meeting the week before last of representatives from every known organization of every kind within the city of Racine. At this meeting the situation was fully discussed, with the result that a committee of 25, representing the cross-section of the town, was selected, with the writer as chairman, to take charge of all the relief work in the city in order that such work may be properly coordinated and the resources of the community used to the best possible advantage. We have taken over temporarily the building of central charities, together with their staff and the staff of the city poor department, to which we are adding, and hope that with such organization we can properly care for all who need relief. There are a great many problems connected with the present condition aside from the direct relief of unemployed, problems such as the protection of persons who have been purchasing homes on land contracts or who have purchased a home and have only a small equity, and many others, which such committee, we feel, can care for and so protect the interests of the unfortunate.

I trust that I have not gone to too great a length in trying to explain the situation as we find it here in Racine, and assure you that I will be very glad to give any further information that you find you will need.

I close by repeating the statement that I believe the Government should share the increased relief burden of the unemployed as well and as readily as it is making appropriations for other forms of relief.

Very truly yours,

WM. H. ARMSTRONG, *Mayor.*

MILWAUKEE

DECEMBER 18, 1930.

Hon. R. M. LA FOLLETTE, JR.,
United States Senate.

Public employment office estimates number of totally unemployed at 28,000.

DANIEL W. HOAN.

MILWAUKEE

DECEMBER 16, 1930.

Hon. R. M. LA FOLLETTE, JR.,
United States Senate, Washington, D. C.

DEAR SENATOR: In reply to your questionnaire of December 13, which reached me to-day, regarding the need of Federal cooperation with the various States and municipalities toward effectively relieving the unemployment problem, I hasten to give you the following information:

1. Approximately how many people are unemployed in your community?

Answer. The public employment office estimates that we have over 30,000 unemployed workers in Milwaukee, including those employed on a part-time basis.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Material relief to families of unemployed persons is supplied through the county department of outdoor relief, the city of Milwaukee bearing 80 per cent of the burden. Two years ago the number of families maintained by the county was 1,500, last year it varied between 2,000 and 4,700, and at the present time it is close to 10,000. At the rate of 5 people per family, this means that 50,000 people are now being supported by the county. It is also estimated by H. H. Jacobs, associated with the Central Council of Social Agencies, that an equal number are receiving partial aid from the various charitable organizations or living off their relatives.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Two years ago the appropriation for county relief was about $175,000, last year it was $180,000, but the heavy drain on the department caused by unemployment brought about a deficit which will reach from $300,000 to $400,000 by the end of this year. The appropriation asked for next year is $760,000.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. The number of families requiring relief from the county will increase up to 14,000 and 15,000, according to estimates of Mr. Willard Notbohm, superintendent of outdoor relief. About 140 families are being added each day, and the situation is steadily growing worse.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Local governments are wholly unequal to the task of coping with this unemployment problem. It is nation-wide in character and calls for remedies which the Federal Government can apply. Unquestionably, the assistance of the Federal Government is necessary. As regards new public work, Wisconsin cities are limited by a constitutional bond limit. They are all up to their bonded-debt limit or are issuing bonds this year to reach that stage.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. The work of private relief organizations in Milwaukee is well coordinated and is proceeding as well as could be expected with the resources available. The community fund was oversubscribed by over $100,000. Many independent charitable organizations are raising funds to aid in this critical emergency.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. I absolutely and unqualifiedly favor any measures under which the Federal Government would share with local governments the increased burdens of caring for the unfortunate victims of unemployment. This is the worst economic crisis that our country has had to face in more than a generation and calls for heroic efforts to relieve immediate distress and make provision to prevent recurrence of a similar calamity.

8. A brief statement of the general situation in your community.

Answer. While Milwaukee, because of its diversity of industries and other factors, is less acutely affected by unemployment than other industrial centers, the situation here is serious. Since the war we have been carrying on an expansive program of public improvements; in fact, the greatest annexation and building program in our history. It has been relatively greater than that of other cities. This program is still in progress. Nevertheless, according to Mr. Notbohm, superintendent of outdoor relief, this is the most tragic crisis in the history of this community. Never before has the county been called upon to assume such tremendous burdens in providing for poor relief. Contrary to optimistic statements appearing in the press from time to time, contrary to promises of industrial leaders, conditions have been steadily growing worse, both as to the number of the unemployed and as to the number of people employed part time. The coming winter is expected to be considerably worse than last, although both the city and county are better prepared to alleviate distress.

With kindest regards, I am, yours very truly,

DANIEL W. HOAN, *Mayor.*

MENOMONIE

1. Approximately how many people are unemployed in your community.

Answer. One and thirty one-hundredths per cent.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. One and thirty one-hundredths per cent.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Four times as much appropriated this year.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Seventy-five per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. I do not think so.

6. Briefly state what releif is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. They are cooperating.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. Can not say we are badly affected in this city.

A. MATHNESS, *Mayor.*

WAUWATOSA

DECEMBER 15, 1930.

Mr. ROBERT M. LA FOLLETTE, Jr.,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I will endeavor to answer your open letter having to do with the question of the Federal Government sharing in part the excess cost of municipalities, in affording financial relief to the unemployed.

1. Approximately how many people are unemployed in your community?

Answer. We are now making an absolute survey of the unemployed in this city of 21,000. Information at hand tends to show that we have a minimum of 200 heads of families out of jobs.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Our city government has not used any city money in the way of direct relief, except what our prorated share might be in taxes for the department of outdoor relief fund, which is raised by Milwaukee County. I understand that the budget for poor relief raised by the county and shared in by every city in the county is about 200 per cent more than it was last year. The information I had last Saturday was that we had 9,200 families on the poor-relief list, averaging five to the family.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. As stated before, this city does not raise any relief fund, but still does a good deal in the way of public work and keeping on its pay roll men that we could possibly spare now were it not for the fact that they would be down and out if they were turned loose. We have about 20, I should say, independent relief agencies in this county over and above department of outdoor relief, for whom was raised under what is called the community fund a sum of $1,325,000 on a drive staged by our citizens in this county the week of October 8.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. It is expected that the peak load of relief will be demanded by the 1st of February. I think last winter 5,200 families in the county were the maximum that were given county relief. We expect that we may hit 12,000 families before the 1st of February, 1931. Few people get the correct slant on this, from the standpoint that the laboring class, in most cases a renter, can immediately show that he is destitute when investigation is made as to the worthiness of the case. But there are thousands of families owning small homes, purchased on a mortgage land contract, or on the building and loan plan, who may have a fifth or fourth equity paid on their home; they are, in a sense, property holders; they can not sell their property, and yet a man that owns a property or an equity in it, without a job and nothing to pay taxes with, is in an embarrassing position, because poor relief does not come to him as readily as it does to the man who does not own a thing.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. The question of Federal Government assistance will depend wholly on how it is administered. I have no way of knowing just what percentage the average home owner is taxed for poor relief, because outside of actual poor relief for coal, clothing, and food, the county carries the other big load which we share in the way of the operating cost of the workhouse, county poor farm, home for dependent children, tuberculosis sanitarium, temporary and chronic insane, and all other county institutions which are operated for the sick and our indigent poor.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. I have no way of knowing just what percentage of increase private relief agencies have been asked to meet in the past several years, but increase this year and past shows a very decided upturn.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. As in the case of question 5, Federal Government financial assistance would no doubt be welcome. As to how it should be administered, that is another question; as our poor relief is handled by the county of Milwaukee, it would appear they should be the ones to receive the money. I can see no objection to doing something like this where an emergency exists; because if the Federal Government can spend countless millions on reclama-

tion work, work on the Mississippi River, and many other projects which require huge sums of money, a few hundred millions more or less in public debts would not make much difference, and it would do a lot of good, depending, of course, on plan of administration under which these disbursements may be made.

8. A brief statement of the general situation in your community.

Answer. The situation here is more acute than most people imagine. As a small boy I saw what happened in the panic of 1893, also in 1907, 1920, and 1921; but the slump in business here now indicates to me, at least, a slow recovery. In my judgment the two principal contributing reasons are the absolute crazy, wildcat, real-estate speculations that have been going on for the past 10 years, plus speculation on every kind of stock imaginable, in most cases on the part of suckers who couldn't possibly margin their stuff and often mortgaged their homes to carry their holdings.

I trust that this résumé of the situation will give you some idea of what the picture is. We are making yeoman efforts to help all possible; we have a permanent organization covering the situation, looking up work, soliciting clothes, and doing everything we can to relieve things here.

I have been invited to go to Madison to attend your brother's inauguration next month. I do not know whether I can make it or not. I have no doubt but what you will be there; and if so, I would be glad to have a chance to talk to you on 1 or 2 matters for about 5 or 10 minutes.

Hoping the foregoing will help you, I am, yours very truly,

A. C. HANSON,
Mayor City of Wauwatosa.

TWO RIVERS

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Chairman Committee on Manufactures,
United States Senate, Washington, D. C.

DEAR SIR: I have your letter of December 13 with reference to proposed aid from the Federal Government to State governments and municipalities for relief work during the present economic depression, I would say that the questions you ask can be answered as follows for this city:

1. Approximately how many people are unemployed in your community?

Answer. One hundred and fifty men.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Doubled this year over last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. Appropriation for 1931, $11,500; for 1930, $7,500; for 1929, $3,695.91.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. About the same as now.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Not necessary in this city at present.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. They give all clothes and shoes—more than doubled.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. No.

8. A brief statement of the general situation in your community.

Answer. The city is taking care of its own situation in this city, and there is no one in dire need which we do not take care of. At present no one receives groceries without working for them, even if we have to have them cut wood for these groceries.

I would be glad to furnish any other information which you might like.

Sincerely yours,

E. J. DONNELLY, *City Manager.*

STEVENS POINT

DECEMBER 13, 1930.

1. Approximately, how many people are unemployed in your community?

Answer. Two hundred seventy-one registered.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. Families, 45 in 1928; 53 in 1929; and 65 in 1930.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer: 1928, $8,504.21; 1929, $9,128.09; 1930, $12,086.19.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. Thirty per cent.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. Private agencies have been extending about 50 per cent as much as the city in 1928 but have been called upon to give about 50 per cent more in 1929, and 1930 will show about 100 per cent increase. They have been furnishing aid along the same lines as the city.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer. Just begin to feel the depression in our city.

Sincerely yours,

V. A. LANDOWSKI,
Poor Commissioner.

DE PERE

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

HONORABLE SIR: In reference to your letter of December 13 regarding the employment and poor situation in our city, will say that up to present we, as a city, have not been called upon to do very much, if anything, in this line. We have a community chest which is operated quite effectively and that takes care of quite a number.

The unemployment situation is felt some but do not believe that there are many outstanding suffering cases. From now on, of course, there will be some, but as we do not look for a very large amount, we are quite sure that it will be handled by the local committees and that there will be very little for the city to take over—in fact, not any more than there has been in former years.

We thank you very much for the attention given the situation, and can assure you that if it changes so that there will be any burden, we will be glad to take it up with you and your committee immediately.

Very sincerely yours,

O. M. KILEY, *Mayor.*

OCONTO

DECEMBER 15, 1930.

Senator ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SENATOR: Your letter of December 13 at hand, and in regard to the Federal Government to share with the municipalities and State governments for at least 50 per cent.

I have given your letter to our city clerk, who will go over the unemployment situation in detail, and within the next few days we will answer directly all your inquiries, and will express my personal view at that time.

I remain yours sincerely,

CARL RIGGINS.

KENOSHA

DECEMBER 15, 1930.

Hon. ROBERT M. LA FOLLETTE,
Senate Chamber, Washington, D. C.

DEAR SIR: Received your questionnaire this morning relative to the unemployment conditions in the city of Kenosha.

At the present time we are planning to hold on Thursday, December 18, a city-wide registration of the unemployed. Therefore I am delaying answering your questionnaire until the results of the registration can be obtained, so that the information you request regarding our community will be authentic.

In the meantime I will assemble some positive figures as to the poor relief, as requested in your questionnaire.

Yours very truly,

WM. E. O'BRIEN, *City Manager.*

WATERTOWN

DECEMBER 16, 1930.

Senator ROBERT M. LA FOLLETTE, Jr.,
Washington, D. C.

DEAR SIR: This is in answer to your inquiry of the 13th.

1. Approximately how many people are unemployed in your community?

Answer. We have not made a survey of the unemployed in this city and I am unable to estimate the number of unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago?

Answer. This city is in two counties. In one county poor relief is handled by a county official and I can not give you any information on the situation there. In the other county the poor relief is extended through the city and the number of persons in that part of the city whom we have aided has increased to about two or three times the number aided in 1928 and 1929.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago?

Answer. The amount of money expended in poor relief has about doubled over a year ago and two years ago.

4. What do you estimate will be the increase in the number requiring relief during the winter months?

Answer. I think that the increase will be about 200 or 300 per cent, although I have no very definite figures on which to base an estimate.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers?

Answer. Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

Answer. There are two chief agencies extending relief in this city in addition to a number of smaller ones. The Family Welfare Association makes the greatest number of family contacts and their work has increased over last year, as follows:

Number of family contacts, October and November, 1929, 28; 1930, 68. Number of articles of clothing given, October and November, 1929, 355; 1930, 1,265.

This will give you a fair idea of the increase in their work, which, I believe, is far greater than is the amount of aid given by the city directly.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated?

Answer. Yes.

8. A brief statement of the general situation in your community.

Answer It is difficult to give any very definite information about the conditions here for the reason that, as you can see from the above, all poor relief is not given by the city government. Were the private agencies not so active, the city government would of necessity be called upon to do much more than it does under the present conditions. For this reason I do not feel that the figures as shown by the city government's records will state Watertown's case.

Watertown is not a so-called industrial city, and for that reason the situation here is not as severe as it is in other communities having more factories. However, conditions are unquestionably worse than they were a year ago and two years ago.

Yours very truly,

C. LUTOVSKY, *Mayor.*

Mr. MOSES. Mr. President——

The VICE PRESIDENT. The Senator from New Hampshire.

Mr. MOSES. I wish to call up another conference report after the one pending shall have been disposed of.

The VICE PRESIDENT. The question is on the motion of the Senator from Washington [Mr. JONES].

Mr. FESS. Mr. President, will the Senator from Washington yield to me for a moment?

Mr. JONES. I have not the floor.

Mr. MOSES. There is a pending question.

The VICE PRESIDENT. The pending question is on the motion of the Senator from Washington to recede from amendments numbered 11 and 12.

Mr. FESS. Mr. President, before the vote is taken I ask unanimous consent to have printed in the RECORD an address entitled "Wake Up America," delivered by H. Ennis Jones, vice president of the Franklin Trust Co. and a director of the Philadelphia Chamber of Commerce, touching the immediate subject we have been discussing on the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

The address referred to is as follows:

If I should walk into your office or place of business this afternoon and ask you that time-worn threadbare question, "How is business?" what would your answer be? Before answering this question it would be well for you to consider all factors, for it may not be as bad as you think it is. Recently I was asked this same question and this was my reply:

Since January 1, 1930, our deposits have increased about $2,000,000; we have opened more than 15,000 new accounts and our profits for the month of October and November, or since the close of our fiscal period October 1, have exceeded the same period last year.

The gentleman was a depositor, and immediately his countenance beamed until suddenly another thought struck him and he volunteered this information, Oh, yes; he had been reading in the papers that people were hoarding money in savings accounts of banks and he supposed that was the reason for our increased deposits. "No," I said, "our increase does not represent hoarding by individuals, but instead it is the result of an intensive effort on the part of our officers to obtain new business, and the majority of this favorable showing represents new contacts made and accounts secured from firms and individuals with whom we have never before done business."

Of course, our depositor left with a different frame of mind because he had received solid facts that encouraged a more optimistic viewpoint.

We are all "fed up" on that pessimistic attitude of crying "wolf" every time the leaves rustle. Why not search for a little cheer and sunshine? It can be found if we go after it. For instance, here is a small list of corporations taken from a group of 120 whose earnings for the first nine months of 1930 (according to figures recently published in a financial publication) show an increase over the corresponding period of 1929 as follows:

	Per cent
American Telephone & Telegraph Co	2
Bangor & Aroostook Railway	11
Chesapeake Corporation	42
Gulf Coast Lines	21
Gould Coupler Co. and subsidiaries	72
Pullman (Inc.), and subsidiaries	19
Bickford's (Inc.)	30
Lessigns (Inc.)	763
Coca-Cola Co	8
White Rock Mineral Springs Co	10
William Wrigley, Jr., Co	6
Cushman's Sons (Inc.)	47
National Biscuit Co	4
Amerada Corporation	59
H. F. Wilcox Oil & Gas Co	70
Cities Service	40
Public Service of Northern Illinois	13.2
United Railways & Electric	11
Memphis Natural Gas Co	65
United Gas Improvement Co	22.2
Worcester Consolidated Street Railway	34
Fox Film Corporation	21.6
Radio-Keith-Orpheum Corporation	86
Briggs Manufacturing Co	37
Yellow Truck & Coach Manufacturing Co	23
City Ice & Fuel Co	12
International Business Machines	11.1
Autostrop Safety Razor Co	86
Industrial Rayon Corporation	18

Why did these concerns forge ahead during a period in which other concerns lost ground? Various reasons may be assigned to the different cases, but underlying them all is the fact that, generally speaking, the management of these companies is in the hands of forceful and capable men who through economy, efficiency, and increased merchandising efforts have brought about these results.

Has your sales volume increased or decreased this year? Here are a few concerns taken from a list of 30 large corporations that show substantial gain for the first nine months of 1930 as follows:

	Per cent
Claude Neon Lights (Inc.)	22.6
Edison Bros. Stores (Inc.)	25.8
F. & W. Grand-Silver Stores (Inc.)	29.3
Great Atlantic & Pacific Tea Co	6.55
J. J. Newbery Co	10.7
Lane Bryant (Inc.)	39.6
Melville Shoe Corporation	13.3
Schulte-United 5 Cent to $1 Store	64.43
Scott Paper Co	10.9
Walgreen Co	16.8
W. T. Grant Co	10.3

These choice morsels of progress remind me of a recent advertisement published by the Saturday Evening Post, wherein the suggestion is made that we had all better take a good restful morning-after look at our product, our sales plan, and ourselves. The message continues with the question: "Is your selling energy at full limit?" "Are your sales and advertising plans extraordinarily gaged to extraordinary resistance?" or, "Are we cutting the power just as we are trying to make the hill?" and as to ourselves, "Have we a goodly supply of plain, old-fashioned nerve?"

There are many fair-weather executives and business men who obtained an overestimated opinion of their business ability when conditions carried them along with the tide of prosperity, while to-day these same men are almost paralyzed with fear and unable to keep an even mental balance in times of stress. Many will fall by the wayside. From now on it will be the survival of the fittest, which means that we must adjust our methods of doing business and change our product to meet present conditions.

Fear and psychology unquestionably are playing an important part in the prevailing state of business inactivity. However, to change our mental attitude requires more than talk and theory—it requires action to remove the cause.

A recent attempt toward this has been the many "buy now" campaigns started in various sections of the country, which originated right here in Philadelphia. The theory upon which these plans were exploited was that people were hoarding their money in banks and the old family sock instead of buying on a scale to which they had recently been accustomed.

The results of the campaigns were very satisfactory from a publicity standpoint, and also helped to increase the sales volume of some of our merchants.

In fact, great credit is due our local chamber of commerce for the efficient and capable manner in which the idea was put over. However, this procedure is unsound for the following reasons:

First. Individuals are not hoarding their money in savings accounts as statistics compiled by the American Bankers' Association for the year ending June, 1930, prove conclusively. The total savings deposits increased $267,000,000, but interest computed at 3½ per cent on all deposits would have been $987,000,000; thus, in reality, savings did not increase, but rather $720,000,000 in interest was withdrawn. The number of savings depositors on June 30, 1930, was 52,769,175, representing an increase of only 5,048 over the corresponding period a year previous.

This reserve of savings is in many instances the only backlog that the American workman has against unemployment and un-

foreseen circumstances. This is not the time to persuade individuals to withdraw their savings to make purchases.

"Buy now" movements should first be inaugurated and adopted by our railroads, public utilities, corporations, and individuals whose wealth and income place them in a decidedly more advantageous position to set the example and lead the procession to buy now, rather than place the burden of leadership on the "little fellow" or average citizen.

Retail merchants will find that the secret of increasing their sales volume will be to sell the consumer what he wants at a price that he can afford to pay. To do this will require closer cooperation on the part of the manufacturer.

There is no question but that incomes have been materially decreased, due to unemployment and reduction in wages, security losses, and overproduction. This is the real basis for the prevailing lack of inclination to buy.

Those whose incomes are most affected are numbered among the executives and directors of our large corporations and business enterprises, and in such positions dominate or control the leading purchasing power of America. When their confidence is restored, both individually and collectively, then corporate purchasing power will be resumed. When that occurs it will not be necessary to use forced methods to bring the little fellow in line; he will follow right along in a proportionate scale.

When will "that" time come? you ask. Well, that is a question worth trying to answer. Let's tackle it from the bottom up and endeavor to ascertain about where we are now. The old law of supply and demand governing our prosperity is infallible and is at work right this minute.

It was in the spring of 1925 that commodity prices reached their all-time peak; since then they have been falling. Their downward journey was checked in May, 1927, but in July, 1929, the definite decline was resumed and since then they have more than made up for lost time; overproduction is the cause of this condition. Reports from abroad indicate that wheat surpluses in all export countries will total about 1,187,000,000 bushels, and that allowing for the requirements of import countries there will still be a surplus of 423,000,000 bushels by the end of next July.

Unofficial estimates place the Farm Board's holdings of wheat at more than one-tenth of the United States wheat supply, which should be sufficient quantity to insure against market depressions even though there is a differential in quotations at the present time of 20 cents per bushel between Liverpool and Chicago for December wheat.

However, Russian wheat appears to still be a disturbing factor in the market, but British authorities estimate that shipments from that source will practically cease before the end of the year.

According to estimates of Dow, Jones & Co., steel activities have slackened to about 39 per cent of capacity. The trade seems to anticipate an upturn in demand after the first of the year from the automobile, building, and railroads. Leading producers have advanced prices on bars, plates, and shapes by about $1 per ton, which is similar to the steps taken by them in 1922 and 1927, which were successful in creating stability at that time and may have the same effect now.

Unemployment estimates are not authentic and range from 3,500,000 to 5,000,000. Regardless of the total it is too great and has seriously curtailed the public's buying power. In all parts of the country organizations are cooperating with Colonel Woods in Washington.

United States Steel, Bethlehem Steel, Standard Oil of New Jersey, according to reports, have definitely announced that they will not drop any more employees due to lack of work. We must, however, guard against doing anything that will lead to the disastrous "dole system" such as England is saddled with.

Conditions require emergency relief over the winter months, but the American workmen do not want alms or dole; they want jobs, and its going to be up to all of us to do our share toward furnishing greater employment.

Car loadings, which are looked upon by statisticians as the barometer of our industrial activity, are still about 75 per cent of normal, while the amount of currency in circulation has materially increased, thus reflecting some improvement in retail trade due to the approach of the holiday season and cooler weather.

Money is plentiful, because huge corporations that normally invest their surpluses in securities prefer to have cash in banks at a low rate of interest rather than speculate on what the immediate future has in store for business.

Millions of dollars are thus represented, and it is this huge buying power waiting to be released that will do more to bring back good times than anything.

The foreign situation is one that must not be overlooked because its bearing on our well-being is tremendous.

The further development of foreign markets for our products can only be done through a sympathetic understanding of the foreigner's problems. If we can not persuade him to do business our way, then we must be prepared to do business his way and on his terms—that is, if we want to be a factor in the market. Cooperation, financially as well as industrially, will govern the volume of our foreign trade in the future, and, make no mistake about it, a great deal of our future prosperity depends on a larger volume of foreign business.

The banking structure of our country has weathered the storm remarkably well with a few exceptions. This is due to cooperation all along the line, and all efforts should be bent toward keeping our finances on an even keel during the uncertainties of the next few months.

Leading bankers everywhere are agreed on this, but there is a limit to the length that the fabric of our credit structure will stretch, and this is deserving of our immediate consideration.

The picture as painted by the foregoing high spots, while not optimistically encouraging, is nevertheless one that can be made a whole lot brighter than it appears on the surface. How can we accomplish this?

First. Mentally our business men are somewhat fatigued. Some who were leaders in times of prosperity openly admit that they do not know now which way to turn; so, rather than take a chance on their own judgment, which no doubt is as good to-day as it ever was, they take the apparently safe course and do nothing. This causes business stagnation.

Most of us are our own worst enemies. Grab your imagination and will power by the back of the neck and sit down and have a talk with yourself. What are you doing to make conditions better—can you name one constructive thing that you have done to help the situation during the past week, or have you really been a slacker and depended on your fellow men to hold the front-line trenches? There isn't a person in the world whose condition or fortune, whether good or bad, could not be much worse. Just look around you now and be thankful for what you have—you might have less. Take a trip down through the slums of any large city—get your nose close to what some of your fellow men have to call living—and then just remember that after all you, too, are just flesh and blood the same as they, with desires, love, and ideals perhaps a little more refined or a little more highly developed, but just simply human after all with a heart that knows sorrow and is searching for happiness.

A professor of Yale recently estimated that the world was several million years old; compare that to the short span of a lifetime and we realize that we haven't much time in which to accomplish that which we set out to do; and, above all, for the privilege of living on this old earth we owe something to our fellow men.

Let's cooperate—give our mental attitude a thorough house cleaning—start with a new perspective and remember that we are "all in the army now" and there must be no slackers.

It has not been so long since America was embroiled in the throes of a great war for justice. To-day we again find ourselves in the midst of another war—this time it is an economic war that will decide whether the present standard of living of the American workman, which is the highest in the world, shall be continued. Our industrial supremacy is threatened by foreign competition—and to meet this we are completely disorganized.

This situation is not hopeless, but it requires immediate action to place American business back on an even keel.

If Russia, Italy, France, Germany, England, or any other world power threatens us with an economic war, let's set our own economic machine in order and fight them in true American economic fashion.

It is up to America to lead this march of progress—and our first step should be to mobilize American industry into one coordinated, well-regulated machine.

It is the old story that in "union there is strength" and individual effort without regard to effect on others is worse than none at all.

The best way to organize this effort would be for Congress to appropriate a sufficient sum to create a "bureau of business" in which labor and farming shall be equally represented. At the head of this should be a director, and that man should be one of our outstanding organizers capable of earning a hundred thousand dollars a year or more. Not a politician and with no entangling political alliances, but a fearless person whose training and ability qualifies him to coordinate all of our business and industrial activities. In other words, a man with a reputation for doing things in a big way. He should be one who would command the respect of business and also labor and farming—one in whom confidence could justly be placed. Just as in the World War, such a man may have to be drafted from industry, but big business could well afford to release him for this more important responsibility.

Once placed in charge, the director of the "bureau of business" should be responsible only to the President of the United States. He would immediately surround himself with an advisory board to be designated perhaps as the business counsel and to consist of leaders in their respective business whose duty it would be to organize each industry immediately. This could be accomplished through simultaneous conferences at which the best brains and ability in industry, farming, and labor would be present. These conferences would be asked to make definite recommendations from a practical standpoint for overcoming difficulties with which each particular business is now confronted. While these meetings are in progress the best-qualified executives drafted from business and industry would be dispatched to various foreign countries with sufficient assistants to make a first-hand survey of actual conditions that would affect American industry from an economic standpoint. Within 30 to 60 days sufficient information would be assembled at headquarters here in the United States to enable the beginning of the development of a definite foundation upon which could be firmly established a plan for the future of American business and American labor.

From this time on American business would then have a sort of clearing house for definite up-to-the-minute first-hand information because since this organization would be permanent it would always have its hands on the pulse of trade in the four corners of the world.

The whole country is now in a particularly advantageous position to welcome a real business leader that would show us how

by practical deeds and not words or theory to perpetuate American leadership. Such a man would stimulate greater industrial effort—promote and insure closer cooperation and effect great economy and efficiency and in the end create more jobs for American labor.

We have in our country many of the greatest and most capable engineers, merchants, manufacturers, bankers, and business men, all of whom should be molded into one great team or organization working with one thought in mind—the perpetuation of American leadership in all walks of life and the maintenance of the standard of living of the American workman.

To accomplish this, of course, it is assumed that our public-spirited Senators and Congressmen would have to forget politics and consider this subject from an "all-American" angle.

We are on the threshold of the greatest opportunity that this country or any of us individually ever had. The year of 1931 will most likely witness the end of the present depression if past records of similar periods may be used as a yardstick—new leaders in business, banking, and industry will spring up to take their places alongside former financiers and captains of industry, but they will be those who have the vision and courage to prepare now for those great opportunities which inevitably follow a depression.

America must wake up. Our resources should be mobilized under the competent leadership of a citizen director who will marshal our forces in such a manner as to restore confidence at home and abroad. The world is waiting for America to lead the way and there is no time for further procrastination; that is, if we value and want to keep that which we now have.

Mr. WALSH of Massachusetts. Mr. President, in conversation with the junior Senator from Wisconsin [Mr. LA FOLLETTE] and other Senators some days ago about conditions in the country, and in order that a true picture, if possible, might be obtained of the real situation so far as unemployment is concerned, we drew up a questionnaire. I sent that questionnaire, seeking certain information, to the mayors of the large cities east of the Allegheny Mountains. Up to date several replies to these questionnaires have been mailed to me. I think I have received up to the present time approximately 50 replies. Very briefly I desire to state the nature and character of the information that has come to me about the conditions in the respective cities.

The number of replies from Massachusetts up to yesterday was 15. The figures for unemployment in those cities show 9.9 per cent unemployment.

These cities report the average increase in the amount of money appropriated to relieve those who are in need of food and clothing and shelter to be approximately 200 per cent.

I desire to read from some of these reports, in order that we may have a real picture of the conditions that exist in many of the industrial communities in this country.

The first report I read from is from the city of Springfield, Mass.

Springfield has a population of approximately 150,000 people. It is the third largest city in the State, and has a diversity of industries. In fact, it is a commercial as well as an industrial city. The authorities report that the number of persons who are receiving aid from the city government welfare appropriation is approximately three times that of 1929.

In November for the past three years the number of families aided was as follows: 1928, 265 families; 1929, 353 families; 1930, 993 families.

The report shows the increases in the appropriations for outside relief made by the city.

In 1928 the amount of money expended for outside relief was $172,689.58. In 1930 it was $382,947.26—about twice as much as expended in the year 1928.

For the city of Pittsfield, which is located in the western part of the State, and is near the New York State line, the mayor's report is as follows:

About 3 per cent of our population of 50,000 people are unemployed, namely, about 1,500 people.

Our normal aid is about 80 families. In 1930 it is 280 families.

We expended in 1927, for outside poor, $38,000. The estimate for 1930 is $83,200.

The increase in demand for aid for the next few months will probably be from 7 to 10 per cent.

The board of selectmen of the town of Clinton, Mass., which is a town of about 14,000 people, report as follows:

There are approximately 2,500 unemployed in Clinton.

At the present time there are 250 families, consisting of 900 people, being aided by the town. In 1929, 90 families of 350 people were aided. In 1928, 60 families of 275 people were aided.

In 1930 the total appropriation is $62,000. In 1928 it was $32,280.

In addition, $50,000 was appropriated to construct a road, with the expectation that the same would relieve some of the unemployment.

I estimate that there will be an increase of 25 per cent of requests for aid during the winter months.

The closing of the Lancaster Mills, that once employed several hundred people, is one of the chief causes of suffering.

Just stop and think of what a burden it is to that community, with which I happen to be particularly familiar, when nearly 1,000 people are now being supported by a community that numbers about 14,000 people!

As to the city of Fall River, Mass., the mayor says:

The number of unemployed in Fall River at the present time is estimated at 13,500.

Fall River is a city of about 100,000 people. Some one from Fall River recently estimated, and it corresponds to what the mayor said here, that 45,000 people of that city are the direct victims of unemployment; that 45,000 men, women, and children have little or no income; that the 13,500 unemployed represent the heads of families in which there are probably from four to five members.

Our public welfare department is aiding about twice the number of families compared with 1929 and 1928.

I might say that Fall River has been depressed for several years on account of the unemployment in the textile business. It is not new for Fall River to have unemployment; and yet Senators will notice that the number of calls for relief is twice as many this year as previously.

Relief appropriation for 1930 is increased by 50 per cent over that of 1929 and 1928. The figures are:

1928, $423,184.

1930, $615,000.

The increase for the coming winter months it is impossible to estimate. Each week shows a steady increase. Receiving city aid now, exclusive of our city home inmates, are 2,459 families.

In the city of Taunton, Mass., there are about 1,100 unemployed at the present time. The population of Taunton is over 40,000 people. The number of families being aided is 340. The number of persons being aided is approximately 2,720. The aid to families in 1928 was $74,857.38. The aid to families in 1930 was $99,192.87. The number of families being aided now is approximately 402, and the number of persons 3,216. It is probable that the number of families—namely, 402—will be increased by one-half at least by the middle of February, making the number of families being aided 600.

I have not selected these reports with the idea of representing any particular picture to the Senate. I have selected them more or less at random.

I find now in my hand a report from the city of Reading, Pa., as follows:

In a recent census made by the city, we found approximately 3,500 people unemployed. However, Chamber of Commerce figures denote that there were 5,600 less people employed on November 1 of 1930 than there were on the same date in 1929. The number that need relief over the number of last year is about 2,000.

Of course, there are some communities where there has not been very much increased call for financial aid. These are communities where the population is largely suburban, where there are not many industries located, and where the working population is not particularly numerous.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Kentucky?

Mr. WALSH of Massachusetts. I yield.

Mr. BARKLEY. It is not precisely apropos of what the Senator is saying, but earlier in the day I put into the RECORD a statement from the New York Times, which is an Associated Press dispatch from Washington stating that the Secretary of Agriculture already had the machinery set up for the distribution of the $45,000,000 that we authorized yesterday, that the blanks were prepared for every farmer to make application, and that within 24 hours after his application had been passed on he would be in position to receive the loan provided for. I am now informed that the

Secretary of Agriculture has written a letter to the House stating that he does not want the money that we authorized yesterday until after the first of the year. Inasmuch as Congress is to adjourn, as I understand, until the 5th of January, it seems to me that our efforts to pass this emergency measure before we adjourn for Christmas have been more in the nature of a farce than anything else, in view of the attitude of the Secretary of Agriculture, who now comes forward with a letter stating that he does not want the money until after the first of the year.

Mr. WALSH of Massachusetts. I appreciate the Senator's observations.

Mr. BARKLEY. I wanted to get that into the RECORD to show the false basis of any of our hopes if we are relying upon any haste on the Secretary's part to bring relief to the farming sections of the country that have been injured by the drought.

Mr. WALSH of Massachusetts. The city of Trenton, N. J., reports that the city poor department advises the mayor that the number of applications for relief have nearly trebled over the number of applications for 1929 and 1928.

The same story comes from other sections of the country. Very little is stated in these reports about the extent of part-time employment. We do, however, get some helpful information as to the extent of that from a report that comes from Adams, Mass. This report from the officials of that community states that the mills are averaging two weeks' work in four, making the wages very small, while some plants are only working two days a week, and others are closed completely.

The mayor of Waltham, Mass., calls attention to the fact that the famous Waltham Watch Co., which had a regular force of 2,300 last June, is now, during the Christmas season, "when it should be rushing and working overtime," employing only about 200 hands, some of whom are employed on part time. Another large manufacturing company, the mayor of Waltham says, is on half time; and another company, which in prosperous times employed from 1,000 to 1,500 men, is now in the hands of receivers, and its machinery is entirely stopped.

It is also to be noted from these reports that it is rare to find a mayor who is optimistic as to the near future. The mayor of Westfield, Mass., says that conditions are growing worse steadily. So far, the opinion of Massachusetts mayors indicates almost unanimously that there will be further increases in the calls for help as winter goes on.

In examining the seven letters from Connecticut, it is significant to note that the amount of unemployment recorded is in proportion to the intensive industrial character of the town. Ansonia, for instance, records 18.5 per cent unemployment, and Hartford 12.8 per cent, while New Haven, much less industrial than Hartford, records 5 per cent. The record given for Middletown, if correct, would show 40 per cent, but it looks as if there might have been an error made in the figures given. Ansonia and Hartford both record a ten times increase in the number of persons seeking assistance now compared with 1929.

Pennsylvania: Eight cities in Pennsylvania show unemployment figures of 9.9 per cent. All figures show an increase in the number of persons seeking assistance of from 25 per cent up to 400 per cent.

New York: While only four replies have been received from New York State, the fact that Buffalo has sent in an answer to the questionnaire is valuable. This report shows that in the city of Buffalo the percentage of unemployment is 21.4 per cent. There are 40,000 people unemployed, which, according to the mayor's statement, is 32,000 more than would be in this condition in what he terms prosperous times. The mayor of that city seems to think that the condition will grow worse during the winter months.

Three cities in New Jersey which have answered the questionnaire show unemployment in one case of 11 per cent, in another of 26.7 per cent, and in another of 29.9 per cent.

From North Carolina, the report from Greensboro shows over 27 per cent unemployment, and a 100 per cent increase in the number of those seeking assistance.

The three cities in New Hampshire answering—Nashua, Concord, and Laconia—show the following figures of unemployment: Nashua, 7.6 per cent; Laconia, 6.3 per cent, and Concord, 3.6 per cent.

Four cities report from Maine. Bath shows 9.2 per cent unemployment, Biddeford 60.5 per cent, and Rockland 33.6 per cent. The latter two figures seem unbelievable, but the mayors say they are correct. They naturally all record increased calls for assistance.

These large figures may be accounted for by shutdowns at this time, as the mayor of Biddeford closes his letter by saying that conditions were never so critical, while the mayor of Bath states:

> Our box factory, shirt factory, and pants factory are closed temporarily. The Hyde Windlass Co. is working three days a week, and 300 were recently laid off at the Bath Iron Works.

The reports from Virginia are limited. However, Petersburg, an industrial city, reports 9.5 per cent unemployment, with 200 per cent increase in appeals for assistance.

From West Virginia, Morgantown reports that the number of persons requiring aid are five to six times greater than a year ago, and the requests for relief are increasing very rapidly.

I particularly call attention to the reports from Rochester, N. Y., and Erie, Pa. The increase in city charity expenditures in Rochester has gone from $157,846 in 1928 to an estimate of $1,342,643 for 1931.

I want to state that I have not presented these letters or presented this situation to the Senate for the purpose of indicating any opposition to the pending measure. I have made no objections and do not intend making any objections to that measure, or to the measure that was passed yesterday. I do desire to call attention to the fact that I consider the proposals for relief made by the administration entirely inadequate. I hope the Senators who feel that way will get together at an opportune time, either during the recess or immediately following the recess, and present some constructive proposals to the Congress, to the end that the Federal Government may show its willingness to do its part in relieving the grave conditions which exist in the country at the present time.

I ask permission to have some of the letters I have received printed in the RECORD in connection with my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ROCHESTER, N. Y., *December 19, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: In accordance with your questionnaire, I desire to submit the following information:

1. Approximately 14,000 unemployed in the city at present.

2. In 1928 there was an increase of 486 over 1927, in 1929 an increase of 1,472 over 1928; estimated increase in 1930 of 3,000.

3. In 1929 the city charity appropriation was increased $157,846 over 1928, in 1930 the increase was $592,398 over 1929; the estimated budget for 1931 is $1,342,643, and in all probability this will be exceeded unless conditions improve. This budget covers the following charities: Public welfare, Grand Army of the Republic relief, World War relief, indigent sick and unemployment relief work.

4. It is estimated there will be an increase of $300,000 during the winter months of 1931.

5. I believe it will.

6. The community chest, which furnishes relief to the Jewish, Catholic, and Protestant agencies as well as the various hospitals, increased their appropriation $61,692 in 1930 over 1929. For the year ending March 31, 1931, it has been increased $110,000.

7. Yes.

8. Almost every club and organization in the city has raised an emergency fund for relief for present needs. The city administration is spending $250,000 for extra labor on city work during the winter months to relieve the unemployment situation.

Respectfully,

ISAAC ADLER, *Vice Mayor.*

ERIE, PA., *December 19, 1930.*

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I am answering yours of the 13th instant as briefly as possible, and assure you that if the United States Government is in a position to help financially in this great crisis that confronts the country it would be a godsend to the people.

1. Approximately 5,000 are now unemployed. However, a large number, probably 4,500, are only working two or three days a week, or in some shops every other week.

2. The city of Erie does not administer relief; except that it was necessary in September to appropriate $10,000 to supplement the work of the Family Service Society, which organization is regularly financed by the community chest. This was done because their funds were exhausted.

3. Answered in No. 2.

4. We can only estimate that it will be at least 300 per cent greater.

5. Yes; very much.

6. Erie's relief is administered by two agencies.

The directors of the poor receive their money from the taxes raised by the county of Erie.

The Family Service Society also administer relief and service, and they receive their funds from the community chest, except as they may be assisted, as was done by the city of Erie, as explained and answered in No. 2.

These two agencies clear all their cases through a central exchange to prevent duplication.

The figures complete for the months of October and November show that the relief given this year was 275 per cent greater than that given in either 1929 or 1928.

7. Considerable additional funds are already being required and the increasing demand is bound to continue, so that it will be absolutely out of the question for the community chest to finance the Family Service Society for the extra amount required.

The directors of the poor are expecting some increase to be granted by the county of Erie, but this also will be insufficient to meet the requirements.

It seems as though the Federal Government might very well appropriate a sum of money to be used in caring for the greatly increased relief requirements, which are caused by the present depression.

8. In addition to the increase of 275 per cent noted in answer to No. 6, a number of other organizations, also churches, are at the present time caring for a great many destitute families.

It does not seem possible that this condition will change for at least 90 days; and the number requiring help so far has been greatly reduced because of the "warmer than usual" weather. It is very certain that when colder weather comes, after January 1, there will be a great increase in the number of needy families until such a time as employment is found for the workers.

Sincerely yours,

JOSEPH C. WILLIAMS, *Mayor.*

MANCHESTER, N. H., *December 19, 1930.*

Hon. DAVID I. WALSH,
Committee on Finance,
United States Senate, Washington, D. C.

DEAR SENATOR: Favorable to your request of the 13th, we are pleased to inform you as follows:

Question No. 1: 1,945 have been registered as unemployed to date.

Question No. 2: 15¾ per cent over last year.

Question No. 3: We have begun city projects to the extent of more than $200,000 that otherwise would have been done next year or later.

Question No. 4: Approximately 25 per cent.

Question No. 5: It certainly would.

Question No. 6: All the welfare and charitable organizations are functioning 100 per cent. The city has started a relief fund of $10,000, which is being raised by solicitation by firemen. This money to be spent for fuel for those in need after proper investigation.

Question No. 7: Would refer you to a vote passed by the board of mayor and aldermen December 18.

Question No. 8: Several large manufacturers have organized relief committees. The police department is giving $1 a week per man. Fine spirit of cooperation being shown by all our citizens so that no one will suffer.

Being an industrial city, we are not looking for any material increase in employment before spring unless new work can be started now.

Very truly yours,

ARTHUR E. MOREAU, *Mayor.*

MANCHESTER, N. H., *December 18, 1930.*

To whom it may concern:

This is to certify that at a meeting of the board of mayor and aldermen held Tuesday evening, December 16, 1930, the question from the Committee on Finance of the United States Senate relative to the Federal Government sharing with the municipalities and State governments at least 50 per cent over the normal expenditures of financial relief was placed before the board.

A motion was unanimously adopted: "That it is the sense of this board of mayor and aldermen of Manchester, N. H., that the sharing of a proposed appropriation by the Federal Government for at least 50 per cent over the normal expenditures of financial relief with the municipalities and State governments meet with the approval of this board, and it will give hearty support to any action taken by the Committee on Finance toward the passage of any measure for this purpose."

Attest:

[SEAL.] WILLIAM E. GILMORE, Jr., *City Clerk.*

CITY OF TAUNTON, MASS.,
December 18, 1930.

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR: I am sending you the information on the various questions concerning the unemployment situation.

Answer to No. 1. There are about 1,100 unemployed in the city at the present time.

Answer to Nos. 2 and 3. 1927–28: Aid to families amounted to $71,929.70. Number of families aided, 340. Number of persons not available, but an average of 6 children is a fair average, making 8 persons to a family. (340×8=2,720 persons.)

1928–29: Aid to families amounted to $74,857.38. Number of families aided, 358. (358×8=2,864 persons.)

1929–30: Aid to families amounted to $99,192.87. Number of families aided, 520. (520×8=4,160 persons.) Number of families having aid December, 1930, 402. (402×8=3,216.)

Answer to No. 4. It is probable that this number—402 families—will be increased by one-half, at least, by the middle of February, making number of families being aided 600.

Answer to No. 6. There are no definite figures for this question. There is a quickening of the public interest and sympathy, and though there is extra help given by the police officers and the firemen and many persons are giving individually, we do not have the well-organized private charities, such as the family-welfare societies, that other cities have.

Answer to No. 7. A Federal appropriation might conceivably be a good thing. It would depend on how it was raised and administered.

Answer to No. 8. The situation in this community is probably comparatively better than in most New England communities, due to the fact that there is a considerable diversity of industry, and most of the manufacturing plants are working at least on a part-time basis.

While the situation is not satisfactory and has been recently made somewhat worse, due to the removal of the division headquarters of the New York, New Haven & Hartford Railroad, and while some of the textile plants are not operating, still conditions could be much worse.

Yours very truly,

WILLIS K. HODGMAN, Jr., *Mayor.*

FALL RIVER, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying to your inquiry of the 13th instant, which I am very glad to do, will say:

1. The number of unemployed in Fall River at the present time is estimated at 13,500, which is, I think, about right.

2. Our public welfare department is aiding about twice the number of families as in 1929 and 1928.

3. Relief appropriation for 1930 is increased by 50 per cent over that of 1929 and 1928. The figures are:

1928	$423,184
1929	413,182
1930	615,000

4. The increase for the coming winter months it is impossible to estimate. Each week shows a steady increase. Receiving city aid now, exclusive of our city home inmates, are 2,459 families.

5. Assistance of Federal Government would lessen the burden on local taxpayers.

6. Our private agencies are all reported swamped with appeals and short of funds.

7. I am certainly in favor of a Federal appropriation that would lighten the heavy burden thrust on city and State.

8. Labor unions, endeavoring to persuade our mills to employ three shifts instead of two, report that employers admit the low wages paid prohibit such move, as work, if split up, would not provide a living wage.

Our department for the relief of soldiers and sailors, in addition to above, reports that $38,000 was expended last year, while 1930 expenditures for aid will amount to over $80,000. More than twice as many cases are being helped this year than in 1929.

With kindest personal regards and best wishes for your success, I am,

Sincerely yours,

EDMOND P. TALBOT, *Mayor.*

PITTSFIELD, MASS., *December 15, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Replying to your inquiry of 13th instant:

1. About 3 per cent of our population of 50,000 is unemployed (1,500).

2. Our normal aid is about 80 families. In 1929 it was about 100 families. In 1930 it is about 280 families.

3. Expended in 1927 for outside poor, $38,000; expended in 1928 for outside poor, $50,000; expended in 1929 for outside poor, $53,000; estimate for 1930 for outside poor, $83,200.

4. Seven to 10 per cent increase.

5. Yes.

6. Associated Charities, Salvation Army, St. Vincent de Paul, and a few small agencies expended in 1930 about $33,000.

7. Yes.

8. The city has appropriated all the money legally allowed, which is short of the solution.

Yours very truly,

J. P. BARNES, *Mayor.*

BOARD OF SELECTMEN,
Clinton, Mass., December 17, 1930.

United States Senator DAVID I. WALSH,
Washington, D. C.

DEAR SENATOR: In answer to your request for information with reference to the unemployed and relief aid, I beg to submit the following answers:

1. There are approximately 2,500 unemployed in Clinton.
2. At the present time there are 250 families, consisting of 900 people, being aided by the town. In 1929, 90 families of 350 people; in 1928, 60 families, 275 people.
3. During 1930 the total amount appropriated for the poor department has been $62,000; in 1929 it was $39,295.56; in 1928, $32,280. (In 1930, in addition, $50,000 was appropriated to construct a road, with the expectation that the same would relieve some of the unemployment.)
4. I estimate that there will be an increase of 25 per cent of requests for aid during the winter months.
5. The assistance of the Federal Government would help considerably.
6. Fraternal organizations are distributing baskets of food for a Christmas dinner. This year they have a list of 200 names to receive them. In 1929, 85.
8. The closing of the Lancaster Mills, that once employed 2,500 people, is the chief cause of the suffering.

Very truly yours,

JOHN J. MITCHELL,
Chairman of Selectmen.

ADAMS, MASS., *December 16, 1930.*

Senator DAVID I. WALSH,
Washington, D. C.

DEAR SIR: In answer to your letter of the 13th instant, I am sending the following facts:

1. The population of Adams is slightly in excess of 12,600. Our street superintendent estimates the number of unemployed at 500; he bases his figures on the number of men who have applied for work on the new sewer that this town has started work on this winter.
2. The number receiving assistance on December 31, 1928, was approximately 58 families; the same date in 1929, was approximately 50 families; and the number of families we are assisting to date are 108 families.
3. Our expenditures for the year 1928 was $23,976.71; for 1929 (the number was not quite as large, but the assistance lasted much longer for each case), $38,149.73. For 1930 our appropriations for relief totaled $51,000. To date we have spent $47,299.38, and I doubt if our appropriation of $51,000 will carry us through to the end of the year, as we have many outstanding bills that have not yet been presented for payment.
4. We are aiding from two to three new cases each week.
5. It certainly will.
6. None by private agencies in this town, as we have not any giving relief except the Elks, who give Christmas baskets, and the Women's Club, who have a Christmas tree for the children.
7. Yes.
8. Adams is a manufacturing town; the mills average two weeks' work in four and the wages are very small; some plants work but two days a week and others are closed completely.

Very truly yours,

ALFRED F. BAILOT,
Agent Department of Public Welfare.

ATTLEBORO, MASS., *December 16, 1930.*

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Responsive to your letter of December 13, 1930:

The number of unemployed has been estimated at 100.

Last year the increase was 25 per cent. This year it is 100 per cent.

Total appropriations increased 48 per cent over last year. For 1929 they were about the same as for 1928.

The increase for the winter months has been estimated at 35 per cent.

It would lessen the burden on local taxpayers.

No increase by private agencies this year has been noted.

Very truly yours,

FRED E. BRIGGS, *Mayor.*

CHICOPEE, MASS., *December 16, 1930.*

Senator DAVID I. WALSH,
Washington, D. C.

DEAR SENATOR: Replying to your letter of the 13th instant relative to relief being extended by the municipalities because of the widespread unemployment and general economic depression, would say that approximately 2,000 people are unemployed in our city, according to registration taken a few weeks ago at the city hall. During 1930, 700 families received aid and in 1928, 443 families, an increase of 257 over that of two years ago.

Approximately 25 per cent increase is estimated in the number requiring relief during the winter months. The municipal employees are contributing $1,000 per month toward relieving the unemployed, and an employment office has been established in the city hall, whereby the unemployed are being taken care of with a 3-day schedule working on public improvements, such as sewer work.

I do favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated.

The city of Chicopee has appropriated the sum of $136,000 for sewer work to help to relieve the burden of unemployment and has also appropriated for a water filtration system the sum of $225,000. This will also employ more than 100 men at the time. Trusting this is the desired information and greatly oblige, I am,

Very respectfully yours,

HENRY CLOUTIER, *Mayor.*

FITCHBURG, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR: In reply to the series of questions relating to the unemployment situation, following is the answer:

1. People unemployed, about 700.
2. Increase over the number last year, about 50 per cent.
3. To date no increase, as partial and temporary employment was substituted to compensate for the increased number of unemployed.
4. Increase in the number requiring relief during the winter months, about 20 per cent.
5. I believe it would.
6. The community chest, representing the combined agencies, has expended $36,700.64 to date.
7. I am totally opposed to anything that savors of the dole system, but I am in favor of Federal aid in so far as it will furnish employment rather than public charity.
8. I am pleased to state that while the situation in Fitchburg in so far as unemployment is concerned is quite the worst it has been for years, still, in comparison with other communties in this Commonwealth, it is much better than the average community of this size. No supplementary appropriations have been necessary in our public welfare department, the activities of which in securing temporary employment for a large number of people having made this possible. Increased programs of public works and a generous response by the citizens of the community have made it possible to minimize the unemployment situation so that the general conditions, while not good, are not oversevere.

Trusting this answers your questions satisfactorily, I remain,

Sincerely yours,

JOSEPH N. CARRIÈRE, *Mayor.*

LAWRENCE, MASS., *December 15, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In reply to your letter of December 13, 1930.

A recent enrollment of unemployed held December 6, 1930, in Lawrence there were 472 females and 1,690 males recorded. I think myself there are more people out of work, but as they, same as myself, see no prospect of "jobs" or work in immediate future, they do not want to put their condition on record. They know better than anyone else in our city that most of the jobs in our textile mills that they have lost are gone forever on account of improved machinery and speeding up.

We are aiding 543 families at the present time, exclusive of aid to mothers with dependent children (mothers' aid) and hospital and institution cases. For comparison the records of welfare department show greatest number of families aided at any time; 1926 was 195, 1927 was 217, 1928 was 345, 1929 was 357, and it is safe to say this department will be called upon to aid many more families during the next few months.

During 1928, 710 families were aided.
During 1929, 632 families were aided.
During 1930 (to date), 1,020 families have been aided.
During 1928, expenditures were $225,449.43.
During 1929, expenditures were $201,813.88.
During 1930, expenditures will be $270,000.

Unemployment will add 25 per cent to the present number of families being aided.

Assistance of Federal Government or work from any other source will help wonderfully. People want work. There are men and women coming into my office looking for work who were never obliged to do it before. They had a little money in the bank; it is gone, they are exhausted, all spent up, no work, no honest prospect of work; no rich people in our city to help much. Private relief is burdened more than ever before. It (want), they tell me, has reached an inner circle now that never applied before.

My fear is that not only a "present emergency" exists but there is no light breaking through. We have lost great mills employing 1,600 or more people. You can not sell a $1,000,000 mill property for $100,000. I attended the 3-day conference of New England council; all fine, earnest men, but no answer.

Our city last year spent $400,000 on streets to help the unemployment situation. We can not keep this up for many years. The fellow who owns a small property, with no job, does not want an increase in his tax. He can not pay what he owes now. Our city and our people have courage and are good people. We hope for improvement—but when? We have had some new industries, but the wages could be better. We want and need help in every way. There are neighboring cities worse off than we are; they have our sympathy, but we are not helped by their misfortune. Involuntary unemployment is a most dangerous situation in the richest country in the world. Glad to give further information.

Yours very truly,

MICHAEL A. LANDERS, *Mayor.*

LOWELL, MASS., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate Committee on Finance,
Washington, D. C.

DEAR SIR: This is to acknowledge receipt of your communication of the 13th instant, which I have already turned over to the head of our charity department, Mr. John Salmon, with the request that he give same his immediate attention.

Very truly yours,

THOMAS H. BRADEN, *Mayor.*

MARLBORO, MASS., *December 18, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

HONORABLE SIR: In answer to your inquiry of the 13th instant, please be advised as follows:

1. There have been 308 males and 49 females who have registered with our unemployment committee to date. One hundred and forty-nine males have been given temporary work by this committee.

2. In 1928 welfare department provided for 884.
In 1929 welfare department provided for 900.
In 1930 welfare department provided for 1,493, approximately.

3. Expenses and receipts of the public welfare department for—

	Expenses	Receipts	Net cost
1928	$49,714.57	$6,402.83	$43,311.74
1929	56,464.60	6,915.29	49,549.31
1930[1]	76,668.66	10,656.09	66,012.57

[1] Approximately.

Soldiers' benefits:

	State aid	Military aid	Soldiers' relief
1928	$1,128.00	$1,207.00	$9,616.41
1929	1,291.00	1,055.50	8,677.20
1930[1]	1,250.00	1,000.00	11,744.58

[1] Approximately.

4. About a 5 per cent increase.

5. Yes.

6. There are no figures available of private relief agencies, but each parish in our community has organized for relief in their respective parishes, besides Red Cross, White Cross Guild, Salvation Army, and our own municipal departments and others that exist of which there are no records. Most of these come under Associated Charities.

7. I do favor having the Federal Government appropriate a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated.

8. The main industry in this city is boots and shoes. The female operators do not register. The factories here are opening their factories, and their operators are being called in, but it will be some time before they will be going full capacity. This relieves somewhat, but it is not certain if same will continue for any length of time. The unemployment committee is staggering employment on projects in the highway, water, and forestry departments, and in this way some relief is given to those who are unfortunate to be out of employment.

Trusting the above is the information which you desire, I remain,

Respectfully yours,

AMEDEE A. MARTEL, *Mayor.*

NEWTON, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: In response to your circular letter of the 13th, I beg to advise you as follows:

1. Number of unemployed in Newton, approximately 1,150.
2. Total aid in 1929, 918; in 1930, 1,653.
3. About 35 per cent.
4. Estimated increase, 75 per cent.
5. I do not believe that Newton will require the assistance of the Federal Government in this emergency. It seems to me a problem to be taken care of locally.
6. All of the relief given through the mayor's relief committee is dispensed by the Newton Welfare Bureau at the request of the committee. Relief estimated as increased about 40 per cent.
7. See question No. 5. I do not favor this project.
8. The situation in our community is much worse than would normally be expected at this time of year, but we believe that we are making progress in providing employment and in helping to eliminate distress.

Very truly yours,

SINCLAIR WEEKS, *Mayor.*

PLYMOUTH, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR SIR: Replying to your letter of the 13th instant anent the economic situation in this town, I am answering your questions as follows, to the best of my knowledge:

1. The best estimates made from the applications for work, and including others who we know are idle, about 400.

2. The amount of aid given by our welfare department has increased from $33,200 in 1929 to $47,000 in 1930.

3. It has been necessary to make a special appropriation in addition to this of $15,000 to furnish work for those who applied. This is of an extraordinary character and is dispensed: Single man, 2 days; man and wife, 3 days; man, wife, and child or children, 4 days per week at the regular rate of $4 per day. This has furnished a bare subsistence and has kept about 200 men from the welfare department. It is planned to continue this method until our March town meeting, when the matter will be further investigated.

4. Hard to estimate, but without doubt a considerable increase.

5. It would seem advisable for Federal assistance, as the taxpayers, many of them, are being gradually impoverished by the situation, many of them out of work themselves, others owning a house or so for which they can get no rent, and those who are at work have their hours of labor reduced and their pay correspondingly lessened.

6. The many relief organizations and lodges are doing all that they can in the way of giving fuel, clothing, etc., to the most needy cases.

7. I can conceive of no better way than for the Federal Government to appropriate a sum of money for distribution on a prorate basis to such towns and cities as are doing what proves after a proper investigation to be all they could be reasonably expected to do, having consideration for the local conditions.

There are many small communities, particularly on the Cape, where the stringency is not so acute. Here in Plymouth we are confronted by a loss of several of our manufacturing plants that have been obliged to close down permanently, while others are running on very short time owing to the condition of general business, particularly the textile mills. Mill workers when thrown out of work are not versatile and find difficulty in adapting themselves to other employment. We have about 200 of this class. And, of course, their idleness affects others. Anything that you and your colleagues in Congress can do to help the towns and cities will certainly be like water in the desert, as we all have a problem on our hands, with no solution in sight.

Yours very truly,

WILLIAM T. ELDRIDGE,
Chairman of Selectmen.

QUINCY, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: In answer to your interrogatories, may I make the following replies:

1. Our registration of unemployed totals between seven and eight hundred men at the present time.

2. The increase in relief measures is not material in Quincy over last year. We, of course, increased our budget and perhaps more people are being helped, but the average is not much above that of other years. With the coming of winter we anticipate greater demands than we have experienced so far, and this situation may greatly alter our program of relief. Quincy must not be taken as a real test of conditions, since we have had considerable employment here furnished by the city and a little by the shipyard, both operating to reduce the number of unemployed and consequently the demands of our welfare department. I am pessimistic, however, concerning the winter because I see considerable distress arising through the fact that work was not constant in the skilled trades during the summer season.

3. The city increased its appropriation by a relatively small sum, but not sufficient in amount to warrant any uneasiness over the situation. As stated above, the winter may bring decidedly changed conditions and then it may be that we will be compelled to render greater aid than we have had to at any time in recent years.

4. It is absolutely impossible for us to gage the increase in those requiring relief during the winter months. The full facts will not be gleaned until the cold strikes this section and at that time we do anticipate, as stated in the other answers, greater demands upon the city. The unfortunate part of it has been that the skilled men have been the hardest hit by the depression in this city since many of them have had only spasmodic employment for over a year. Unskilled labor has fared very well because of the city's activities in many lines, and this will mean that the relief this year will be given to a class which heretofore has never asked for assistance.

5. It is quite beyond me to answer this question I am rather afraid that relief from Federal sources would be so involved in technique that the recipients would not receive much in the way of Government bounty. Frankly the inquiry is too complicated for me to give an intelligent answer save to say that I am quite convinced that Federal aid could only be effective if it came in a lump sum to each community in the proportion of the number of needy requiring assistance. If this plan is carried on, this will make the law rather cumbersome and I feel would hardly meet the exigency of the situation.

6. Of course, private relief has always been dispensed with in Quincy through channels of which we know but little. The only organized private relief agencies are the St. Vincent De Paul Society, the Salvation Army, and the Family Welfare Society. In addition to these it must be stated that many church societies have been doing and still are doing a wonderful work in taking care of needy families, although they are doing it so quietly that

no public mention of it is ever made. It is, therefore, impossible to estimate the amount of such or the scope which it covers.

7. In answer to this question may I refer to my answer to No. 5? If these disbursements are in lump sums based on need or on population, then I think the local bodies might possibly use the contributions to good advantage. As I stated in other answers, other municipalities are feeling the weight of the depression much more than Quincy, and consequently their plight is far more acute. This does not mean that we have no problem here. We have had this problem for years, but it is a remarkable situation that up to the present moment there has been no particular increase in the demands or the outlay for relief.

8. May I summarize and state that the situation in Quincy is typical of the situation in every large city and town of any size in the Nation. One statement which I might add is that Quincy had been suffering from the depression for three years prior to 1929, and the crash that came at that time did not visibly affect the situation as far as our city was concerned. From 1927 up to the crash of 1929 our principal industry was practically flat, but there was a very large increase in building-trade activity, and with the city's outlay for many enterprises the general average of employment was kept up to normal. With the climax of the depression in October, 1929, all who had been employed in the building trades were suddenly thrown out of work. The present year has been extremely poor in the employment which was offered to skilled building-trades men, and this unemployment has accentuated the general bad condition of the city. I feel that the only thing that has saved us has been the fact that the shipyard has been doing a little more work and that the city has redoubled its efforts to furnish work for unemployed men. These two facts have greatly helped the situation and have probably greatly lessened the hardship that might result if all efforts were suspended with the crash of last year.

Very truly yours,

THOMAS J. MCGRATH, *Mayor*

WALTHAM, MASS., *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: In reply to your letter of December 13, I give you below the following data:

1. Approximately 1,800 are unemployed in this city.

2. The amount of aid given this year is increased about 65 per cent over last year. Included in this estimate are the persons given temporary emergency employment since January, 1930.

3. A substantial amount (approximately $100,000) was appropriated this year for the sole purpose of relieving unemployment. There was about a 65 per cent increase to the account of "relief of poor" for poor relief. We have no other similar condition or year with which to compare this figure.

4. A further increase of 10 per cent over present figures is estimated to take care of balance of year.

5. Yes. The assistance of the Federal Government will help to extend relief to the needy and lessen the taxpayers' burden.

6. Clothing and food have been donated to private relief agencies, about 60 per cent more than previous years.

7. There are many reasons why the Federal authorities should aid. One important reason is that the Federal authorities have been indifferent to the gambling orgy allowed to go along without interruption in our stock market.

8. Our Boston Manufacturing Co., where Governor Banks was a bobbin boy in his youth and where in prosperous times from ten to fifteen hundred hands were employed, is now in the hands of receivers and the machinery entirely stopped. Our Waltham Bleachery & Dye Works has not paid its taxes for three years.

The Judson L. Thompson Manufacturing Co., makers of buckles and rivets, is running on half-time schedule.

The Waltham Watch Co. had a regular force of 2,800 last June. Now, during the Christmas season when it should be rushing and working overtime only about 200 hands are employed, some of them on part time.

Further in reply to question 5, a Federal post office for which an appropriation was secured by Congressman Mitchell about 16 years ago should be built now.

We have resorted to a certain form of contract which may or may not be an evasion of civil-service rules, and we are having some work done under those forms of contract, giving work to men with families who are not on the civil-service list. We have done this in our cemetery, forestry, street, water, and sewer departments. I am attaching copy of the contract we have used.

Trusting this information will be of assistance, I remain,

Sincerely yours,

PATRICK J. DUANE.

AGREEMENT

Agreement entered into this 19th day of November, 1930, by and between the city of Waltham, Mass., hereinafter called city, and William J. Donlan, hereinafter called contractor.

Whereas President Hoover, Governor Allen, of Massachusetts, the unemployment committee of Waltham, and others, are advocating and encouraging unusual methods and efforts to relieve the present widespread distress because of the long-continued unemployment:

It is hereby agreed by and between said city and said contractor that certain sums available for water-main construction be used as ordered by the director of public works, with the approval of the mayor, under the conditions and for the reasons hereinafter set forth:

(1) That citizens of Waltham who are at present and for at least two weeks last past have been unemployed, and who have families with children, or others with dependents relying upon them for support (the number of children or dependents to be taken into consideration), shall be given preference.

(2) That the wages for such employment will be as follows: For laborers, $4 per day; for timekeeper and foreman, $6 per day; for transportation allowance to contractor, $3 per day.

(3) That said labor may not be continuous but that the laborers may be divided into groups alternating weekly, or in such other manner as may be agreed upon by the contracting parties.

(4) That applicants for work must apply at and selection of same shall be made after consulting with Rev. Descom D. Hoagland, chairman of the unemployment committee, at the Waltham Chamber of Commerce, at 613 Main Street, Waltham, Mass., and Frederick L. MacDonald, M. D., director of public welfare.

(5) That the contractor is to receive for his services the sum of 10 per cent of the labor cost. Said 10 per cent is to include the cost of insuring laborers under the so-called workmen's compensation act, chapter 152 of the general laws, and other acts and amendments made and in addition thereto.

(6) That the necessary tools and equipment shall be furnished by the city.

CITY OF WALTHAM,
By PATRICK J. DUANE, *Mayor.*
WILLIAM J. DONLAN, *Contractor.*

WESTFIELD, MASS., *December 15, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: I am acknowledging receipt of your circular letter of December 13, 1930, this being an inquiry in reference to the unemployment situation, welfare relief, etc., in this city. Thank you for same.

Kindly notice that in reply to—

1. Approximately how many people are unemployed in your community? There are approximately 800 adults unemployed.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago? Seventy per cent above the previous year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago? Actually 60 per cent above the previous year.

4. What do you estimate will be the increase in the number requiring relief during the winter months? One hundred per cent. Very moderate.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers? Yes; undoubtedly, especially the elderly citizens whose income has stopped and who have no source of income, only real-estate investments on which it is very difficult to collect rents. This would also apply to many of the unemployed who have equity on their property but who are really worse off because of that, having at present no source of income to provide for their loans.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago? As to the relief extended by private relief agencies this is very doubtful. Nearly all fraternal orders are doing something in that respect simply by way of Christmas charity funds for the distribution of supplies.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated? Kindly notice this would be generally favored, I believe, by our citizens. I understand that the Government has no special means for this purpose, not being in business to that end, but assuming that there is a very large surplus which has been occasioned by excessive taxation, it seems very fair to me that some part of that should be used to relieve municipalities of the terrible burden now laying upon them. Any Federal relief should be made available at the earliest possible moment.

With reference to the general situation in Westfield I regret to advise that conditions are very unfavorable and growing worse steadily. I look with much concern upon the immediate outlook as this promises to be a winter of great discouragement and hardship to the large number of unemployed.

Kindly notice I have given you this statement briefly, but I assure you that it is approximately correct, and I trust that this will be useful to you.

Thanking you again and with sincere personal regards, I remain,

Sincerely yours,

LOUIS L. KEEFE, *Mayor.*

MIDDLETOWN, CONN., *December 15, 1930.*

DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Answering your letter of December 13, I would answer the questions tabulated as follows:

1. About 2,000 less employed in local industrial plants than two years ago.

2. More than three times.

3. Fiscal year appropriation exhausted and six months more to provide for.

4. No doubt a considerable increase.

5. Any outside assistance will be a relief to our taxpayers.

6. A committee of citizens for the relief of unemployed are providing employment to some 175. No relief of this kind before.
7. Question.
8. Right now the industrial situation is steadying just a bit. Two factories are working double shifts; one, a shift and a half. Along mercantile lines trading is brisk; the volume in some lines is as great this year as last, although the percentage of credit is higher. Other factories all running half time.

Trusting this information will be of benefit to you, I am,

Yours truly,

FREDERICK J. BIELEFIELD, *Mayor.*

BRISTOL, CONN., *December 15, 1930.*

Senator DAVID I. WALSH,
Washington, D. C.

DEAR SIR: Replying to your inquiry of December 13 relative to my attitude on the Federal Government sharing with municipalities and State government at least 50 per cent of over normal expenditure of increased cost of relief, I shall try to answer your questions in the order asked.

1. There are approximately 500 people unemployed in the city of Bristol and of this number about 150 are in extreme need.
2. The number of persons whom the city government is called upon to aid has increased about 150 over two years ago.
3. During the fiscal year 1929–30 the city of Bristol spent approximately $47,000 additional to relieve unemployment, and the fiscal year 1930–31 it is estimated will call for an expenditure of approximately $75,000 additional.
4. We have made arrangements and are now caring for about 120 people through giving them work rather than through charity, and anticipate that we will have to take care of approximately 150 during the winter months.
5. The assistance of the Federal Government will be very greatly appreciated by the city of Bristol as we have a real problem in trying to make a reasonable tax rate during the present unemployment.
6. Private agencies are extending about 50 per cent more relief than they did last year and the year before. I am unable to give you a definite figure on the amount being spent by these agencies.
7. I very definitely favor an appropriation of a sum of money by the Federal Government to share with the city and State governments the increased relief burden.
8. In the city of Bristol various private agencies are working in conjunction with the city to provide employment where possible and to relieve the needy where it is impossible to give them employment. We have had a combined committee representing each agency working in cooperation since October, 1929. We are working on, first, the principle that as little publicity should be given the work of these agencies as possible; secondly, that no one should make political capital of the unfortunates; and, thirdly, that the morale of the workman is much better if given work rather than charity. Working along this line, the city has provided the necessary work and is obtaining about 50 cents on the dollar of actual value from it. This work is in the form of widening roads and other public improvements which would not be undertaken were it not for the present unemployment situation.

Very truly yours,

W. R. CRUMB, *Mayor.*

NORWICH, CONN., *December 15, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SIR: Answering your letter of December 13:

There are approximately 500 unemployed persons in this city, and I should think that those requiring aid are at least twice the number as compared to last year, and probably three times as many as two years ago.

We have the dual form of government and all relief for the poor is handled by the town, and consequently I can not answer your question No. 3. I estimate some increase during the coming winter, without doubt three or four times as many as normal.

Any assistance will help extend relief to the needy and will lessen the burden to the taxpayers.

Although we happen to have an extremely well-endowed private charity which saves this city and town much expense for aid to the poor, local relief agencies are doing everything they can, and it is safe to say are doing twice as much as last year along this line and three or four times as much as they were called upon to do two years ago.

I do not think that our community needs any assistance from the Federal Government to meet local burdens, although I am not personally opposed to the idea. Conditions in Norwich are not extreme, as may be indicated by what I have said.

Thanking you very much for your letter, I remain,

Very truly yours,

LEE R. ROBBINS, *Mayor.*

HARTFORD, CONN., *December 15, 1930.*

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: Acknowledging your circular letter of December 13, please be advised:

1. About 6,500.
2. Ten times.
3. 1928–29, $49,618.48; 1929–30, $101,495.13; 1930–31, $250,000.
4. About 70 per week; now assisting approximately 1,000 families.
5. No.
6. One hundred and fifty thousand dollars; same figure past year; have reached approximate limit of resources.
7. Decidedly not. I believe that there is too much Federal-aid tendency. The New England Yankee has never asked quarter from the rest of the country. We had no Federal assistance to build our resources and we developed our character through fighting our own battles. Every emergency seems to be an excuse for some Senator or Representative to pamper localities by Government coddling. The quicker this Federal-aid idea is cut out the sooner people will develop the backbone to help themselves. This is, I believe, the general opinion of residents of the city of Hartford.
8. Conditions are not what we wish they were. We are not going to let anyone starve nor are we going to let them suffer any more than we can help from the cold. We are going to take care of ourselves and we are going to pay our own freight.

Very truly yours,

WALTER E. BATTERSON, *Mayor.*

NEW HAVEN, CONN., *December 15, 1930.*

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In response to your letter of December 13, I would state that we have just held an enrollment of the unemployed and approximately 3,000 people registered. This registration was absolutely unrestricted and probably included many who were not particularly interested in the securing of a job.

In order to provide work the city has authorized a bond issue of $200,000 to be used on street development and in cooperation with the city. Yale University has advanced their development program to provide for the expenditure of $200,000 at once.

I can not definitely answer your question as to numbers, because the statistics are not available without considerable research. In a general way, the private agencies report a considerable increase over previous years. The 37 agencies in the city are grouped together in a community chest which recently had a drive and secured an increase of $60,000 over previous community-chest funds.

We have fairly diversified industries here in New Haven, and while all of them are suffering from the depression and practically all are working part time, I personally don't regard the situation as serious.

We should, of course, be very glad to have the Federal Government help us share this burden which I am afraid shows signs of growing greater as the winter progresses.

Very truly yours,

THOMAS A. TULLY, *Mayor.*

ANSONIA, CONN., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Am returning questionnaire, and in response to question 8, would say:

Ansonia is an industrial community. Two largest concerns, American Brass Co. and Farrel-Birmingham Co., unusually slack for more than a year. Other shops, smaller, have done pretty well, but in every instance they are operating with reduced force and only part time.

City has, since last August, been engaged in helping by having storm-water and domestic sewers put in. This was made possible by $75,000 bond issue, which the January legislature is expected to approve.

Conditions made it necessary to increase appropriation for relief more than 100 per cent over two years ago.

Several fraternal and civic organizations, as well as many church societies, are lending aid to many people.

Favor Federal aid in the event that the same could be applied to public work in the several States and municipalities.

Very truly yours,

MICHAEL J. COOK, *Mayor.*

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
Washington, D. C., December 13, 1930.

MICHAEL J. COOK,
Mayor.

DEAR SIR: Some of the members of the United States Senate feel very strongly that the economic conditions in the country require the Federal Government to share with the municipalities and State governments at least 50 per cent over normal expenditures of the increased costs of financial relief being extended by the municipalities because of the widespread unemployment and general economic depression.

Will you let the undersigned know at once:

1. Approximately how many people are unemployed in your community? One thousand two hundred entirely; 3,000 part time.
2. To what extent has the number of persons, whom the city government is called upon to aid, increased over the number last year and that of two years ago? Ten times as many.
3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago? More than 100 per cent.
4. What do you estimate will be the increase in the number requiring relief during the winter months? One hundred per cent.
5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local tapayers? Yes.

6. Briefly, state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago? Increase very great.

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated? Yes; in providing work.

8. A brief statement of the general situation in your community.

Please furnish us with this information without delay.

Sincerely yours,

DAVID I. WALSH.

NEW LONDON, CONN., *December 16, 1930.*

Senator DAVID I. WALSH,
Committee on Finance, Washington, D. C.

DEAR SIR: Your letter of December 13, making inquiry as to conditions of employment in the city of New London, was referred to me by the council for reply.

From the best information available there are about 500 to 800 unemployed in this city of 28,000 at the present time.

The demands for aid through our charity department have substantially increased this year over last year and the year before. Our charity commissioner reports a hundred more applicants for relief at this time than in the corresponding month of last year, and an increase of 130 over the same month two years ago.

Our appropriation for our charity department, outside poor, has been increased this year $7,000 over the appropriation for 1929–30 and $17,000 over the amount appropriated for 1928–29.

It is estimated that there will be an increase of applications for relief during the winter. This is customary, and this year will probably be greater than in ordinary years. Possibly we may have an increase of 25 to 30 applicants during the months of January and February.

The question as to assistance from the Federal Government was not understood by council in that no definite information was given by you as to the form the relief would take. The city of New London expects to be able to take care of its own as it always has. The situation does not seem to be one that would require appeal to the Government for financial aid.

As to the relief extended by private agencies in this city:

Not a great deal of information is available, no figures being given to city officials. We believe that they have approximately $9,000 for use in their own channels, which I understand is an increase over what they have had for the last two years.

Question 7 has been generally answered above. If the Government should elect to erect a new post-office and Government building in this city, which is very much needed, and arrangement could be made whereby local labor would have an opportunity to share in the work, such action would be very much appreciated.

The situation, generally, in New London is about the same as that of most New England cities of similar population. All industries are working on a reduced schedule and mercantile business is quiet. The fact that New London is not largely industrial is shown by our smaller number of unemployed.

Very truly yours,

WM. A. HOLT, *City Manager.*

AUBURN, ME., *December 17, 1930.*

Hon. DAVID I. WALSH,
Committee on Finance, United States Senate,
Washington, D. C.

DEAR SIR: In reply to your circular dated December 13, regarding your first paragraph, I am not entirely in favor of the Federal Government share with municipalities 50 per cent over normal expenditures on account of the present crisis. I am afraid that any move along this line might result in a dole system being started, which we all recognize as an evil. The answer to your other questions are as follows:

1. There are probably a hundred heads of families with no means of support out of work. There are more who have property and savings or are not heads of families and can finance themselves for some time.

2. So far as our board of charities is concerned, we are running about the same as last year and two years ago; increase not over 5 per cent.

3. We will possibly spend $2,000 on work directly connected with unemployment, which will partly take care of heads of families out of work. These men are to be put at work cutting brush and other similar jobs. This is entirely aside from our regular routine, and it is possible that we may bond for public work in early January to provide for more funds.

4. We do not anticipate conditions much worse than they are now.

5. Personally, I do not feel that Federal money comes from any source different than municipal money. The taxpayer pays in either case. I think local government should function as much as possible.

6. There are many relief agencies, and steps have been taken to coordinate their efforts—have them function under the central committee sponsored by the Red Cross. There has been some increase in activity, but probably not over 5 per cent.

7. I do not favor Federal assistance other than through the usual channels on highway and public work, for reasons first mentioned.

8. Auburn is a shoe town, and our local manufacturers advise that there is a seasonal slackness, which will gradually be overcome as the new year approaches. If this is true, we should be able to get through the winter without serious difficulties.

Yours very truly,

LLOYD H. MCFADDEN,
Mayor of Auburn.

BATH, ME., *December 17, 1930.*

UNITED STATES SENATE,
Committee on Finance, Washington, D. C.
(Attention of Hon. DAVID I. WALSH.)

DEAR SIR: I am pleased to acknowledge your letter of the 13th instant regarding the unemployment situation, along with the general economic depression.

1. The approximate number of unemployed is 500.

2. The number of persons whom the city government is called upon to aid has increased 450 each year for the last two years.

3. Our city has increased its appropriation for the relief of unemployed $15,000 this last year.

4. The increase in number requiring relief during the winter months will be 200.

5. The assistance of the Federal Government will bring relief to the needy and lessen the burden of local taxpayers.

6. Very little relief is being extended by private relief agencies.

7. I do favor the Federal Government appropriating at once a sum of money that will share with the city and State governments, etc.

At this time our box factory, shirt factory, and pants factory are closed temporarily. The Hyde Windlass Co. is working three days a week, and 300 were recently laid off at the Bath Iron Works.

Yours very truly,

HAROLD P. SMALL, *Mayor.*

BANGOR, ME., *December 15, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Your letter of December 13 relation to the unemployment situation, etc., in this city, received. This city is not a manufacturing city and there are not very many more people here unemployed than is usually the case at this time of year. There has been some increase in the number of persons being assisted by the city over that of a year and two years ago, I should say that the increase by way of financial appropriations would be some $3,000 more than last year, and I think that the increase in number requiring relief during the winter months will be perhaps 5 per cent more than last year.

I do not see how the assistance of the Federal Government would lessen the burden on our taxpayers. I would favor Federal Government appropriations to be shared with city and State governments.

Yours very truly,

R. W. BLUEHAIL, *Mayor.*

BIDDEFORD, ME., *December 17, 1930.*

Hon. DAVID I. WALSH,

MY DEAR SENATOR: Your letter of inquiry relative to economic conditions in Biddeford, Me., I have before me. Offhand some of the queries are difficult to answer, since sufficient records are not available to me. However, the answers are given below from the best information to be had, viz:

1. About 4,000 more than normal.

2. Thirty-five per cent.

3. Our poor department will need $50,000. Last appropriation was $30,000.

4. We are now caring for 1,152. This number will be increased by two to four hundred most likely.

5. Depends on when available and how administered. Fear the aid would be so long delayed as not to be of much help in this emergency.

6. Public committee made up of representatives of churches, service clubs, civic societies, chamber of commerce, and welfare organizations are raising funds and giving aid to those who have always been able to maintain themselves. One local corporation will use $2,000 to assist operatives out of work and will help tide over the coming Christmas.

7. So long as the Federal Government is buying wheat to keep the price up for wheat holders and make the cost of bread higher for the unemployed, it seems to me a fair proposition that some Government moneys be diverted to help the needy and unemployed.

8. This city has about 18,000 inhabitants. Industries: Cotton mills, cotton machinery, shoe factories, and summer boarders. The latter are as profitable during the winter as most of the industries have been for three years. Conditions were never so critical.

Respectfully yours,

CORNELIUS HORIGAN, *Mayor.*

ROCKLAND, ME., *December 15, 1930.*

Hon. DAVID I. WALSH,
Committee on Finance, United States Senate,
Washington, D. C.

DEAR SENATOR: Replying to your questionnaire, which you will find inclosed with answers to it, I am very heartily in favor of Federal Government help during this general economic depres-

sion and widespread unemployment which seems to be confronting our country at this time.

In question 6 of your questionnaire I presume this to mean the charitable institutions in our community and their increase as compared with last year and two years ago. In taking this matter up with the heads of the Salvation Army, American Legion, Red Cross, and Women's Club we have the information that they are doing about 50 per cent more than last year and perhaps 75 per cent more than two years ago.

Under the head of statement 8 in your questionnaire I will give you a brief outline of the general situation in our community. Our main industry here in Rockland is the burning and quarrying of lime. The plant practically shut down, laying off about 500 a few weeks ago. Near by us there is quite extensive granite quarries where mostly paving is cut. They are all closed down at the present time, giving us a very bad unemployment situation to cope with. When I speak of these two major industries, that is practically all of the industrial life of our city, the population of which is about 10,000, it puts us in a very acute situation.

I am sure that should there be relief forthcoming from our Government we could not measure the good and benefit that it would be to us.

Sincerely yours,

C. M. RICHARDSON, *Mayor.*

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
Washington, D. C., December 13, 1930.

DEAR SIR: Some of the Members of the United States Senate feel very strongly that the economic conditions in the country require the Federal Government to share with the municipalities and State governments at least 50 per cent over normal expenditures of the increased costs of financial relief being expended by the municipalities because of the widespread unemployment and general economic depression.

Will you let the undersigned know at once:

1. Approximately how many people are unemployed in your community? One thousand.
2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago? Seventy-five per cent.
3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago? Fifty per cent last year and 25 per cent two years ago.
4. What do you estimate will be the increase in the number requiring relief during the winter months? Seven hundred.
5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers? Yes.
6. State briefly what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago? See letter.
7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated? Yes.
8. A brief statement of the general situation in your community.

Please furnish us with this information without delay.

Sincerely yours,

DAVID I. WALSH.

LACONIA, N. H., *December 15, 1930.*

The Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In reply to your letter of December 13 requesting information in reference to the employment situation in this city, I answer as follows:

1. Two hundred and fifty.
2. One hundred per cent.
3. Double.
4. Two hundred per cent.
5. Yes.
6. Twenty-five per cent.
7. Yes.
8. The manufacturing industry in this city consists chiefly of hosiery and hosiery machines. Business along these lines has been very poor for some time, with no prospects of increased business in sight.

Very truly yours,

CHARLES E. CARROLL, *Mayor.*

CONCORD, N. H., *December 15, 1930.*

DAVID I. WALSH,
United States Senator, Washington, D. C.

DEAR SIR: In reply to your letter and questionnaire dated December 13, I beg to answer the same as follows regarding the unemployment situation here in Concord, N. H.:

1. Approximately 300 people who have filed with the unemployed committee as out of employment here in Concord.
2. The increase in aid of persons by the city government during the years 1930 and 1929 has been about the same, and in connection with this I beg to advise that we expend here approximately $30,000 per year for the aid of persons.
3. There has been no increase in the amount appropriated for the poor for the last two years.
4. As to the estimated increase during the coming winter months, this is rather hard to answer definitely, but I feel that it will be only a slight increase in Concord, as this is not an industrial city.
5. Up to the present time the burden has not been excessive to the taxpayers.
6. I have no way of knowing the amount of money which is spent by private relief agencies here in the city, but I assume, of course, they are doing all that is required of them.
7. Probably it will be of great assistance to some cities to have aid from the Federal Government appropriation.
8. I believe that in answering the above questions I have given you a brief statement of the situation here in Concord.

We have here in Concord a local unemployment committee, consisting of representatives from the chamber of commerce, Rotary Club, Kiwanis Club, and the city government. This committee is functioning and has the list of some 300 persons, as I previously stated, who have registered as unemployed, tabulated, and at the present time we are starting an investigating system, whereby the case of each of these applicants will be investigated.

What most of these people want more than anything else is work, and any assistance that the Federal Government or any other local government can give to stimulate work for the people will be far better than the giving out of money.

Truly yours,

ARTHUR E. ROBY, *City Clerk.*

NASHUA, N. H., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

MY DEAR SENATOR: Yours of December 13 regarding unemployment relief received.

I am replying in the order of questions.

1. Eight hundred.
2. Seventy-five per cent.
3. Fifty per cent.
4. About the same as above; 75 per cent.
5. Yes.
6. All agencies are doing extra work for the relief. Their work, I believe, has increased in the same proportion as city and county aid.
7. As a general proposition, no; as the specific need, yes.
8. Our situation is comparable to the textile and industrial cities of New England.

Sincerely yours, WILLIAM F. SULLIVAN, *Mayor.*

P. S.—Greetings of the season.—W. F. S.

RUTLAND VT., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Committee on Finance,
Washington, D. C.

DEAR SENATOR: Replying to your circular letter of December 13, would reply to the questionnaire as follows:

1. Would estimate that we have 300 men unemployed and about 600 working 2, 3, and 4 days per week.
2. The city has been called on to help twice as many as two years ago.
3. The city appropriation December 31, our fiscal year, will be, I should judge, increased 50 per cent over two years ago.
4. I expect a large increase in the number asking for help as the winter proceeds.
5. I feel that there is plenty of wealth in each community, so that each should be able to take care of its unfortunates.
6. National and private relief associations are working to the utmost of their financial ability. The mayor is at the present time endeavoring to raise a sum sufficient to help such associations to carry their work on during the winter.
7. I feel that there is plenty of wealth in each community, so that each should be able to take care of its unfortunates.
8. The situation in our community is hard owing to many of our factories running only 2, 3, and 4 days per week during the summer, but I believe we can take care of our people with local contributions and municipal aid.

Trusting this is the information you desire, I am,

Very truly yours,

ARTHUR W. PERKINS, *Mayor.*

PROVIDENCE, R. I., *December 17, 1930.*

Hon. DAVID I. WALSH,
Committee on Finance, United States Senate,
Washington, D. C.

MY DEAR SENATOR WALSH: At the request of the mayor of the city of Providence I am attempting to answer the questions which you have sent to us. As you undoubtedly know, it is almost impossible to give exact figures on some of these questions (one of the most valuable sources of information which I might refer you to on this entire matter is the department of statistics of the Russell Sage Foundation, 130 East Twenty-second Street, New York City), especially as to the number of unemployed in the community, also the amount of assistance given by the private organizatitons.

1 The Brown University bureau of business research has estimated the unemployed of the State of Rhode Island at 30,000. We have no more exact figures on this question available.

2. Number of persons assisted in 1928, 6,078; 1929, 6,752.

Figures are not available at this time for 1930. The department is now assisting 100 per cent more than one year ago.

3. Appropriations, support of the poor, 1928, $103,900; 1929, $125,100; 1930, $165,000.

4. The increase in number of requests for aid during the winter months as compared with last summer are approximately 100 per cent.

5. Obviously any assistance the Federal Government would appropriate to the city would extend greater relief to the needy, and consequently would to a great extent lessen the burden on the local taxpayer.

6. There are about five societies in the city who are giving temporary relief due to the present situation in addition to the department of public aid, which handles practically all of the cases of straight unemployment. The largest of these private organizations has reported that it has spent $35,000 more this year than last. It is impossible to estimate the amount expended by the other societies, inasmuch as they do not report to any of the organizations giving these statistics.

7. In answer to this question I would quote the central relief committee, appointed by the Providence unemployment committee:

"We reaffirm former statements and policies of long standing, that the city and voluntary agencies are prepared to meet the needs for relief in the present emergency. By relief we mean the furnishing of food, fuel, clothing, and shelter to families and individuals found to be in actual need.

"This committee believes that the existing charitable agencies of the city of Providence and the department of public aid are able to take care of the actual distress in Providence, and it believes that the proposal that the Federal Government appropriate money for relief is unwise and unnecessary at the present time."

8. Undoubtedly the unemployment situation in this community is acute and the applications for aid are increasing greatly from month to month. Many men are on part-time work in the city. City and private agencies appear to be able to meet the situation, at least at the present time.

Respectfully submitted.

EDWARD P. REIDY,
Director of Public Aid.

MORGANTOWN, W. VA., *December 15, 1930.*

Senator DAVID I. WALSH,
Senate Finance Committee, Washington, D. C.

DEAR SIR: We are pleased to give you the following information in answer to questions asked concerning the unemployment situation in our community, as outlined in your letter of December 13:

There are at the present time approximately 300 and 400 persons in the city of Morgantown who are unemployed, and for Monongalia County, W. Va., the number will probably exceed twice this figure, with a very large number employed part time and making barely enough to get along. This is particularly true with regard to coal mining.

The number of persons who will require aid will run from five to six times that of a year ago, which will require both the city and county governments to spend twice what has been spent in previous years, with outside agencies taking care of a great many cases. Requests for relief are increasing very rapidly as we go into the winter months. Private relief agencies are active and do a very considerable more than they have ever done before.

Federal appropriations would certainly help the situation, if such funds are used in supplying work in the construction of needed public improvements.

Hoping this will give you the desired information, I am,

Sincerely yours,

W. E. BROOKS, *City Manager.*

FAIRMONT, W. VA., *December 18, 1930.*

HON. DAVID I. WALSH,
United States Senate, Committee on Finance,
Washington, D. C.

MY DEAR SENATOR: Your letter of December 13 at hand relating to the matter of extraordinary economic conditions in this "prosperous" country.

Answering, categorically, your questionnaire:

1. Eight hundred and fifty. That is, such number is a conservative estimate of the number qualified legally to work. This would indicate about 2,000 directly and adversely affected. Population is 23,159. Therefore 9 per cent of population feels with force unemployment. It is believed that this is an average ratio for the country.

2. Double the number of 1929, and three times the number of 1928, or more.

3. Difficult to answer in dollars; but ratios are approximately as indicated above. This city has a well-coordinated general-relief system which has been in effect for many years. It is organized to collect clothing and foods, as well as money. Dollars available not much in excess of 1929, but other values much higher. Our charitable functions operate in conjunction with the central unit called Family Welfare Association and formerly called Associated Charities. This central unit, the Salvation Army, and church organizations and other welfare societies associate to avoid duplications and to permit of investigation of individual needs. The city itself operates its charity division in conjunction with the Family Welfare Association.

4. One hundred and fifty, bringing total to 1,000. A bank failure locally (The Union National Bank) this week, of course, makes for adversity because of the large number of small depositors, but it is still too soon to take definite statistics.

5. Yes.

6. See answers above. Relief agencies well organized due to a far-seeing policy adopted by city and leading citizens many years ago. Absolute coordination of private and public relief, which now stands us in good stead.

7. I do not like to advocate such practice, but if the necessities of the situation increase measurably such course is indicated.

8. The evils, economically, from which we suffer as a community can be largely laid to one single item, to wit, the price of bituminous coal. Were this price a fair and reasonable one this community would never need a cent of outside help. This city and this section of the Monongahela Valley almost from the time of its establishment as a living center for people has been prosperous and happy. While it has other industries, such as glass, aluminum, foundry, machine, and the like industries, its chief industry is and has been coal; and coal of the finest sort. The economic upset and the freight discriminations against our region has tended to impoverish us. Millionaire coal operators of a few years ago are now paupers, so great have been these adverse factors. If Fairmont could get even 50 cents more a ton for its coal, it would soon regain its prosperity and happiness for its people. And on such a bulky product as coal the additional decent 50 cents would permit the payment of a living wage to coal miners, a fair profit to operators, and work and employment for all classes of people, and still not work oppressively on the consumers of the coal in the rest of the country. It is this little difference which makes or breaks us, as a community, offering fine bituminous coal to the country. A stabilization of coal markets, either voluntary or under some ægis of the Government, would leave us free to work out our own economic salvation without recourse to the General Government. But, I should hasten to add, that the discriminations in freight rates are a terrific burden to us. Senator-elect Matthew M. Neely has told our story forcibly on the floor of the Senate when formerly a Member of that great body from this State. Relieve Fairmont and West Virginia of freight discriminations and the natural wealth of this great State would bless the Nation, and at prices not shocking to the conscience.

I hope I am not discussing this matter in too narrow a manner. I have tried to be broad, but the questionnaire seeks local information. Things ought not to have been permitted to get in the "mess" they are (borrowing from Andy, of Amos and Andy). Wrong policies for the years that have passed have brought on what now confronts us as a Nation. In the midst of plenty the people are crying for bread. There is a terrific air of panic in the minds and hearts of the people. Locally that is accentuated because of our recent bank failure, involving thousands. But I suppose, under the present trend of things, a little thing like a bank failure has become commonplace. Thousands have gone that way in the past few years in this "prosperous" country. The country was fed the pap of "prosperity" talk so diligently that the great gaming fever has seized upon us. Overworked imaginations. In this region four years ago we had six prosperous banks. Now, we have but one.

And I believe that even at that this section is about an average of the country.

These are times for statesmanship, and I appreciate the onerous burdens now to be borne. I know that it will tax the ingenuity of the best men in our public life, of whom I esteem you personally to be one, along with that other outstanding public man of the same surname, the great Senator from Montana.

With kind regards, I am, sincerely,

A. G. MARTIN, *Mayor.*

SAVANNAH, GA., *December 18, 1930.*

HON. DAVID I. WALSH,
United States Senator from Massachusetts,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR WALSH: In reply to reply to your letter of December 13, 1930, in re unemployment and relief for the destitute: We have organized an unemployment commission, of which I am the chairman, and we are now closing a census of the unemployed here. Our population is 85,000 people.

1. Seven hundred and fifty-eight white and 993 colored unemployed have registered. These figures include male and female.

2. The city of Savannah appropriates to certain private agencies which relieve the destitute. The increase for families where assistance is necessary for 1930 over 1929 is 60 per cent. In 1929 there were 506 families being assisted. As of November 1, 1930, there were 1,157 families being assisted. I look for a 50 per cent increase in this during January, February, and March, 1931. December, 1930, reports indicate the heaviest number of new cases, both white and colored, in our history.

3. We have had to increase our appropriations to the agencies doing this relief work 20 per cent for 1930 over 1929.

4. I think we will have a 50 per cent increase in January, February, and March, 1931—probably running as high as 1,600 families, white and colored.

5. Yes. Assistance will be appreciated during January, February, and March, 1931.

6. Private and quasi public agencies are now extending relief in foodstuff, fuel, and sometimes rent. I think it is easily a 50 per cent increase over last year.

7. In the absence of flood, fire, epidemic, or some similar or extraordinary catastrophe, I do not favor appropriations by the Federal Government to share with cities and State governments

relief burdens, and would only agree to this as a proper Federal function if it be determined there is a real emergency for relief; and then only with the assurance that such relief measures will not be continued by the Federal Government.

8. We are in very good shape here. A number of people, both white and colored, have come to the city of Savannah from our immediate surrounding territory and from northern sections of the country seeking work, and this influx has increased our burdens but not, as yet, to the extent that we can not handle the situation ourselves. Of course, if the Federal Government is going to extend aid, relieving the burden on the taxpayers at this time, it is very proper that Savannah should have her proportionate share of these funds.

Hoping this information will assist you to arrive at a just conclusion, I am,

Sincerely yours,

GORDON SAUSSY, *Mayor.*

PETERSBURG, VA., *December 17, 1930.*

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR: I am inclosing you the information that you asked in your letter of December 13, and I hope will be of some service to you.

1. Approximately how many people are unemployed in your community? One thousand and seventy-seven.

2. To what extent has the number of persons whom the city government is called upon to aid increased over the number last year and that of two years ago? One hundred per cent over last year.

3. To what extent has it been necessary for your city to increase its appropriations for relief to the unemployed and to the poor this year as compared with last year and two years ago? Two hundred per cent.

4. What do you estimate will be the increase in the number requiring relief during the winter months? Two hundred.

5. Will the assistance of the Federal Government help to extend relief to the needy and lessen the burden on local taxpayers? Yes.

6. Briefly state what relief is being extended by private relief agencies. How much has it increased as compared with last year and two years ago?

7. Do you favor the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated? Yes.

Sincerely yours,

I. VAL. PARHAM, *Mayor.*

ANDERSON, S. C., *December 15, 1930.*

Hon. DAVID I. WALSH, *Senator,*
Washington, D. C.

DEAR SIR: Replying to your letter of 13th instant, city of Anderson, S. C., county seat of Anderson County: City population and immediate mills, 25,000; county population, census, 81,000.

Question 1: City unemployed, estimated, 2,000; county unemployed, estimated, 4,000.

Question 2: City extended relief in 1928 to 100; city extended relief in 1929 to 100; city extended relief already in 1930 to 1,500. The 1930 relief has been furnished by the city and its citizens.

Question 3: The chief of police, W. W. Driskell, has made call on all the citizens for help and has received generous response in way of clothing and some food. The city employees, for instance, as a whole responded with 5 per cent of their meager salaries as long as needed. The city has furnished four paid helpers and expects to be called upon for heavy money contributions later in the winter.

Question 4: We expect to help about three or four thousand during the winter; maybe more.

Question 5: It would, of course; but I can not recommend direct Federal relief now.

Question 6: Read answer No. 3. The Salvation Army and Community Chest have not been able to increase their assistance. In fact, their collections have almost ceased. The relief is now being organized and is all practically coming from volunteer subscriptions given through the chief of police at the city hall.

Question 7: Not now in a money form. But, for instance, our city needs badly a Federal building for holding the Federal district court, and also as a post office. At present the Federal court is being held in the county courthouse, which is entirely too small for even the county. We have been threatened with the calamity of removal of holding of the Federal court here on account of the inconvenience and lack of accommodation. The United States post office here is out of date and too small. The building of a Federal building here at this time would serve a real need and furnish work, which, I believe, is the real want of the people.

Question 8: The farms are unable to take care of their hands during the winter. A great many of the farmers themselves need help in the form of work. The cotton mills, of which this city and county are well supplied, through necessity have discontinued the night shift and are running on curtailed time. This has thrown out of work their most dependent help—those who can not except in the best of times find work. This in turn has lessened business in all lines and the helpless have been cut loose.

Yours sincerely,

G. T. MCGREGOR, *Mayor.*

ATLANTA, *December 17, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: This refers to your letter of December 16 to Mayor I. N. Ragsdale in connection with the unemployment and business situation in Atlanta.

I will answer your questions in the order given by the same number:

1. There are approximately 8,000 to 8,500 people unemployed in this community, according to our last survey.

2. We feel that there is about twice as much distress at the present time as there was two years ago, and that this distress will increase during January and February, due to the lack of work and prospects.

3. The city has not yet been asked to increase its relief appropriation, but will be asked after the 1st of January, when the new administration takes hold. We will ask for practically double, or maybe treble, the present appropriation.

4. We estimate that there will be about five times the number requiring relief this year during January and February as previous years.

5. The Federal Government can certainly help, and would certainly lessen the burden on local individuals and taxpayers by offering to assist in this relief work.

6. The emergency committee is raising money by personal subscription and in every other manner possible. None of this has been necessary last year or in previous years.

7. We do favor Federal Government appropriation to help out in the relief work.

8. The general situation in Atlanta is not bad for December, but after the holiday trade we expect a great many unemployed from the retail and mail-order establishments here and the building trades particularly, as Atlanta is just completing three large buildings and no other buildings are in prospect. We expect our greatest strain to be in January, February, and March.

Trust this is the information you desire.

Yours very truly,

FRANK H. NEELY,
Chairman Atlanta Better Business Commission.

BRUNSWICK, GA., *December 16, 1930.*

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Data requested in your circular letter of December 13 respecting Brunswick, Ga., are furnished herewith:

Question 1. Answer: About 300, which is 2 per cent of the population.

Question 2. Answer: Approximately the same as 1929 and about 50 greater than 1928.

Question 3. Answer: Practically no increase over 1929, about 30 per cent increase over 1928, and about three times the amount of 1927.

Question 4. Answer: Possibly 20 per cent.

Question 5. Answer: Yes; if it come in the way of jobs and not dollars.

Question 6. Answer: No data available, though generally private agencies conduct relief work in close cooperation with city welfare department, so the same increases might be used with safety.

Question 7. Answer: I do not believe the disaster stage has been reached which would warrant Federal aid in the form of cash gifts.

Question 8. Answer: There is acute suffering in isolated cases. I believe an opportunity to earn a living is more necessary than out-and-out gifts to able-bodied persons.

Yours truly,

E. C. GARVIN, *City Manager.*

AUGUSTA, GA., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

DEAR SIR: I have your favor of December 13 asking for information on the unemployment situation. Answering your questions serially:

1. Number of persons unemployed, approximately 2,500.
2. Approximately 75 per cent.
3. One hundred per cent.
4. Fifty per cent.
5. Yes.
6. See clipping inclosed.
7. Yes.

8. The general situation in Augusta is not considered to be extremely acute. While many persons are not employed, they are practically all in touch with some relief organization, and while their rations will be considerably cut down there is no danger of anyone starving.

Yours respectfully,

W. B. BELL, *Mayor.*

ROCKY MOUNT, N. C., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Your very interesting inquiry of the 13th instant, addressed to our mayor, has been handed to me for reply, and I wish to apologize for not being able to give more accurate information than I have. However, I shall state the facts as best I can:

1. Three to five hundred (our population, 21,409).

2. Our test date has not come yet. Two years ago we were very near normal; last year the city government assisted some 200 to 250, as will be explained in No. 8.

3. This will be explained in No. 8. As to the poor, we are limited to 25 per cent of our poll-tax collections, which we always contribute.

4. See No. 8. Our test date has not yet arrived.

5. Yes.

6. Our Associated Charities and the Salvation Army do right extensive work; in fact, actually handle all the charity cases, the city government supplying the funds, together with all the religious organizations.

7. Yes.

8. This is a tobacco market of right considerable size, having sales warehouses and factories; these places employ heavy during the season; they close about the middle of January. We found it necessary last season to take steps to assist the unemployed, and did the job with our regular construction and maintenance appropriations in this way: Bought rations in wholesale lots, put up packages, under the direction of medical men, that would feed a man 1 day, 2 days, 3 days, and so on up to a 7-day package. A man with 3 in family would work about one day in three; we would pay him with these packages. This is the way we handled the situation and got value received. We had about 200 men on our list and only had about 20 working at the time, but took care of the 200.

I am frank to say to you, sir, that any estimate I should make of the future would be a blind guess, and that I am not inclined to make. I would say frankly, too, that it is my belief that your inquiry will bring very largely, or, I might say, to a large extent, exaggerated reports.

I think that our vicinity is not far if any different from the general state of affairs. My experience is that a large percentage of the unemployed are to some extent holdouts—that is, for their price.

I trust you may have some use for the foregoing, and if there might be further information that I could give you I shall be glad to have you command me.

Yours very truly,

L. B. AYCOCK, *City Manager.*

GREENSBORO, N. C., *December 15, 1930.*

Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of December 13 addressed to the mayor has been handed to me for a reply.

Your questions are answered as follows:

1. Two thousand.
2. One hundred per cent.
3. Fifty per cent.
4. Fifty per cent.
5. Yes.
6. Relief being extended by the Salvation Army, Family Service Agency, and the City-County Welfare Board, all of who operate under the budget or the community chest plan, which organization is furnished aid by the city; also by subscriptions; and this relief has increased in the last two years about 100 per cent; in the last year about 50 per cent.
7. Yes.
8. Labor unions of this locality have lately opened an employment bureau, and there has also been opened by the city and county jointly an employment bureau, both of which are doing all in their power for the unemployed. About 85 per cent of the registration for employment is by unskilled laborers, and there is, as you will see, about 15 per cent of the calls for skilled laborers.

Very truly yours,

E. G. SHERRILL, *City Clerk.*

READING, PA., *December 18, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: I am in receipt of your inquiry relative to unemployment conditions in Reading.

In a recent census made by the city we found approximately 3,500 people unemployed. However, chamber of commerce figures denote that there were 5,600 less people employed on November 1 of 1930 than there were on the same date in 1929. The number that need relief over the number of last year is about 2,000.

At the present time we are raising a fund of $100,000 for relief. We anticipate that the relief requirements will double over the remaining winter months.

Assistance from the Federal Government should be given to lessen the burden on municipalities. The only relief agencies that were operating here were those connected with the local community chest, which raised $450,000 in their last drive.

Hoping this is the information you desire, I am,

Very truly yours,

J. HENRY STUMP, *Mayor.*

NEW CASTLE, PA., *December 15, 1930.*

DAVID I. WALSH,
United States Senate, Committee on Finance,
Washington, D. C.

HONORABLE SIR: In answer to your letter of December 13, beg to reply that, in question No. 1, we have practically 1,500 unemployed people in our community.

No. 2. This has more than doubled during the last year.

No. 3. It has been necessary to increase our appropriations for relief many times over our last year, which was practically nothing.

No. 4. The increase in the number that require relief during the coming months will materially increase, as those who have enough for the present will run short before the spring weather opens to give them outside labor.

No. 5. The assistance of the Federal Government would most certainly lessen the burden on the local taxpayers.

No. 6. The mayor's relief committee, the community chest, and the Associated Charities are doing their best to care for the situation at the present, and their burden is largely increased over last year.

No. 7. I favor the Federal Government appropriating a sum of money to be shared with the cities of the United States.

No. 8. The situation in our community at the present time is not as bad as it will be later on and the different charities are exercising care that they do not go too far at the start. In other words, that this relief may be spread out over as long a period as possible.

Thanking you for your inquiry, I am, very truly yours,

WILLIAM H. GILLESPIE, *Mayor.*

MONESSEN, PA., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Replying to your communication of December 13, I submit the following information:

1. About 1,500 unemployed, with an additional 2,500 averaging two days' employment per week.
2. The number of unemployed has increased about 400 per cent over that of 1929.
3. Relief appropriations have been increased approximately 66⅔ per cent.
4. We estimate that relief requirements during the winter months will increase 400 per cent over 1929.
5. Federal Government relief will decidedly lessen the burden on local taxpayers.
6. About 300 families are now being furnished with groceries and fuel, they being practically destitute as result of industrial depression, relief being extended by the local community chest, civic relief committee, and municipal government. Salvation Army and Red Cross are also assisting and their requests for assistance has increased about 400 per cent.
7. I am in favor of the Federal Government sharing with the city and State governments the burdens that the present emergency has necessitated.
8. Local steel industries are operating about 40 per cent, with several departments entirely idle. Numerous family heads have not worked for one to four months; others' average earnings are only $8 to $12 during a pay period of 15 days.

Trusting that this information will prove of assistance.

Sincerely yours,

CARL WOODWARD, *Mayor.*

JOHNSTOWN, PA., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senator, Senate Office Building,
Washington, D. C.

DEAR SENATOR: At the request of Hon. O. W. Saylor, mayor of the city of Johnstown, I am replying to your letter of December 13, 1930, addressed to him.

Approximately 2,000 persons are unemployed in this community at the present time, and an additional 15,000 are on part-time employment.

Under an opinion by the city solicitor to the effect that Pennsylvania law does not permit cities of the third class to appropriate money for the direct relief of the needy, our city does not extend direct financial relief for the unemployed. It is impossible, therefore, to give an aswer to questions 2 and 3.

In our opinion, the number of persons requiring relief in this community is at the present time confined to 1,000 families, and we do not anticipate that this number will be greatly increased during the winter months.

Unquestionably assistance by the Federal Government would lessen the burden on the people of this community, not directly as taxpayers but as contributors to the various welfare agencies and the emergency relief fund which is now being administered by a special committee appointed by the mayor.

The emergency relief committee referred to is extending direct relief to the needy, and in this work is receiving the cooperation of local established welfare agencies which do the follow-up work and continue to give aid to those in need of it. Demands on the established agencies referred to have very greatly increased as compared with last year and two years ago, necessitating the raising of an emergency relief fund to handle the immediate and pressing demands of the situation. Demands for relief have increased more than 100 per cent over last year, and approximately 125 per cent over two years ago.

We do favor the appropriation of money by the Federal Government to assist city and State governments in the present emergency.

The situation in Johnstown may be summarized as follows:

The great steel mills of this community, which are, of course, the predominating factor in our industrial life, are now working at about 40 per cent of their normal capacity, which means that their complement of about 15,000 workmen are on a part-time

basis. Most of these employees, fortunately, are able to earn enough to sustain themselves without recourse to charity.

The city government is now contemplating appropriations for public improvements to be made during the winter months in an effort to bring some measure of relief to the unemployment problem confronting this community, and any Federal funds that might be allocated to Johnstown for this purpose would permit the city government to broaden its program and thereby correspondingly reduce the number of unemployed.

May I express the hope that such assistance will be forthcoming at an early date.

Very truly yours,

HARRY HESSELBEIN,
Managing Secretary Johnstown Chamber of Commerce.

ALTOONA, PA., *December 16, 1930.*

DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR MR. WALSH: In answer to your correspondence of December 13, beg to advise the following:

1. Approximately 1,500 men are unemployed.
2. Twice as many unemployed as last year and year before.
3. Twenty thousand dollars.
4. Unable to state this.
5. Yes.
6. Bureau of Charities, Red Cross, Rescue Mission, and Salvation Army. Has increased twice as many.
7. Yes.
8. We are affected about the same as other cities and are trying to do our best to aid the unemployed.

Hope this is satisfactory.

Sincerely yours,

JOHN J. MCMURRAY, *Mayor.*

POTTSTOWN, PA., *December 16, 1930.*

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Referring to your letter of the 13th, there are approximately 1,000 unemployed in our community at the present time.

The local government has not been called upon as yet for any aid, and consequently has not found it necessary to increase the appropriation for relief to the unemployed.

During the winter months there will no doubt be an increase of 25 per cent in the number requiring relief. The assistance of the Federal Government would, of course, tend to lessen the burden on the local taxpayers, as all relief work which has been done was accomplished by individual subscriptions of our citizens and was dispensed through the medium of our various charities. Their work has increased about three times over the previous year or two.

Yours very truly,

J. K. KLINK, *Burgess.*

TRENTON, N. J., *December 19, 1930.*

Hon. DAVID I. WALSH,
Member of the Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I beg to acknowledge receipt of your questionnaire dated December 13, 1930, and in reply thereto I beg to report as follows:

1. I have been advised by Mr. Fred J. Kroesen, secretary of the Trenton Citizens' Committee on Employment, a body appointed by me to care charge of unemployment-relief conditions in Trenton, that his estimate of the total number of unemployed persons in Trenton is between 7,000 and 8,000. There has been no official survey of the number of unemployed, but the above figures have been verified by the city poor department as being substantially correct.

2. The city poor department finds that within the past few weeks, especially the last two weeks, there has been a marked increase in the number of applications for city relief over those of any other period of this year, of 1929, or of 1928. This department advises that the number of applications for relief have nearly tripled over the number of applications for 1929 and 1928.

3. The appropriations for the city poor department—that is, the department that relieves the distress of resident families but has no connection with the home for the aged which houses the homeless poor—for the year 1928 was $78,150, for 1929 was $82,650, and for 1930 was $101,216. However, as I have stated, the situation is becoming more acute as we get further into the winter season. For the week beginning December 8, 1930, the city poor department expended the sum of $4,000 for outside relief, the highest weekly sum we have ever expended, so that you can readily see that if the demands on us continue at this ratio, we would be expending at the rate of over $200,000 a year for outside poor relief.

4. I do not believe there will be a decrease in the number applying for relief, and the probability is there will be an increase unless there is a marked change in the existing economic situation. However, our local employment campaign may be able to take up considerable of the unemployment slack. We are bending every effort to do this.

5. Undoubtedly the assistance of the Federal Government by monetary appropriations to the municipality would help to extend relief to the needy and lessen the burden of the local taxpayers. The increased cost for poor relief has nowhere to fall except on the local taxpayers.

6. Private relief agencies are doing their utmost to give relief, but as their regular contributors in many cases are affected more or less by the economic depression, these agencies have not sufficient funds to cope with the situation, much as they would like to do so.

7. I am heartily in favor of the Federal Government appropriating a sum of money that will share with the city and State governments the increased relief burdens that the present emergency has necessitated.

8. The general situation in Trenton is, I presume, a great deal similar to that of other industrial cities in which there has been some let down in production. Within the past two weeks the Trenton Citizens' Committee on Employment has effectuated its plans for the employment of unemployed citizens on public work. On Monday, December 15, 1930, the number of unemployed men put to work on this class of labor was 295, and this number will be increased up to 500 as the funds become available. For the financing of this project the sum of $200,000 is being raised by the citizens' committee, of which amount $100,000 will be subscribed by the industrial and business interests and the remaining $100,000 by the voluntary contributions of municipal employees and employees in private industry and business, amounting to a 1 per cent assessment on the salaries and wages of such employees. The plan of the citizens' committee is to provide work for 500 unemployed men for a period of 20 weeks, work to be four days a week at a per diem wage of $3. First preference will be given to heads of families in which there are children.

Very truly yours,

FRED'K W. DONNELLY, *Mayor.*

BUFFALO, *December 15, 1930.*

Senator DAVID I. WALSH,
Committee on Finance,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying to your inquiry of December 13, wherein you propose that the Federal Government shall share with municipalities and State governments at least 50 per cent of the increased cost of welfare and unemployment relief over and above normal expenditures, I inclose herewith copy of a letter addressed to Governor Roosevelt on October 11, together with copy of a communication forwarded to the governor's committee on stabilization of industry for the prevention of unemployment. You will note that the communication of October 10 suggests that the State make a temporary grant of aid to political subdivisions charged with local relief obligations to the extent of 50 per cent of the excess expenditure over and above the 5-year average annual expenditure. Inasmuch as the State does not extend relief directly, the burden falls upon local governments, chiefly municipalities and counties.

The average annual expenditure over a 5-year period for welfare relief as administered by the city of Buffalo is as follows:

Department of social welfare	$586,592.52
World War Veterans' relief	104,284.31
G. A. R. and Spanish War Veterans' Relief	61,743.50
	752,620.33

These expenditures do not include any salaries or overhead, nor do they include any expenditures for care of the aged in institutions. You will note that the average annual expenditure for the three municipal agencies is $752,620.33. On the experience of July, August, and September, the first quarter of our current fiscal year, it was estimated that the expenditure of these agencies would amount to $1,615,964.21, an increase of 115 per cent over the 5-year average. Since this estimate was computed the situation has changed so that it is quite apparent that the increase will be more than here indicated, but as yet it is too early to hazard a definite estimate. In all probability the city will be called upon to expend at least $1,000,000 over and above the average for the last five years.

The consensus of opinion based on surveys by several agencies estimates the number of unemployed in Buffalo at the present time at 40,000, of whom approximately 8,000 would be shown as unemployed even in prosperous times. In other words, the excess amount of unemployment is between thirty and thirty-five thousand.

I am inclosing herewith clipping from the Buffalo Sunday Times of December 14 analyzing the situation in Buffalo, which can probably be accepted as an honest recital of local conditions.

With relation to your question No. 5, naturally funds from any source would lessen the burden which owners of real estate are forced to bear. Under the tax system existing in New York State, real estate is the only flexible source of revenue, and therefore is forced to bear the brunt of welfare relief. Such a situation works a hardship on small-home owners, a large percentage of whom are hard hit by depression, and it was chiefly for that reason that I have appealed to the governor, inasmuch as the State controls sources of revenue other than real estate. However, you may rest assured that the city of Buffalo will meet its situation effectively and mercifully. I do not regard assistance from the Federal Government or any other source as necessary to stimulate our efforts, but I do think that the State of New York should use available sources of revenue other than general property tax for assisting local governments in this emergency.

Now, with relation to your question No. 7, I am not disposed to favor a grant of aid by the Federal Government, because I

believe that our State has sufficient resources to handle its own situation; and it is my honest conviction that each State should meet its responsibility in this matter.

If there is any further information that you desire, we shall be glad to answer it to the best of our ability.

Yours sincerely,

CHARLES E. ROESCH, *Mayor.*

Mr. GILLETT. Mr. President, I wish to say a word because the Senator from Wisconsin [Mr. LA FOLLETTE] cited, among his telegrams, as one of the arguments for Federal relief, the conditions in my home city of Springfield, and my colleague has also cited the same.

Unquestionably, conditions of unemployment are serious in Springfield, as they are elsewhere. There is a very large number of individuals and families who are dependent upon charity or upon the municipality for relief. That is so all through Massachusetts and all through the country. I do not wish to minimize the depression. But it does not seem to me that that is an argument which should greatly impress us, for the Federal Government to do any more than expedite and enlarge, as far as it can, necessary public works and make all reasonable and possible expenditures in that way which will give employment. It ought not, however, to use the present exigency as an excuse for embarking on unwise and needless expenditures.

My city of Springfield is a substantial, well-to-do city. Just at present it shares with all the other cities and towns of the country a serious business depression. Its factories get few orders, and so production and employment are sadly curtailed. But it is able to support its poor, as it always has. Its community chest was never so large as it was this year. The municipality is able, and I am sure is willing, to take care of the unemployed within its precincts, and I think that is true of all the Massachusetts cities. Some of them are in a much less favorable condition than my city.

I was favorably struck by the action of one of the Massachusetts towns the other day. When they were asked to appoint a relief committee, as is being done all through the State, the selectmen said they did not wish to be singular and refuse to cooperate with other towns in establishing such a relief committee, but that it was not necessary because they, as selectmen, had always every winter supported a great many who could not support themselves; that this year there were many more than usual, but that they had always done their duty, and expected to do it this year whether there was a relief committee or not.

They show what seems to me to be the normal American spirit, that each community shall look out for itself and each individual, as far as possible, look out for himself. That is the spirit on which we have grown and flourished. The less we have of Federal participation and assistance the better, and the less we cultivate the idea that we shall appeal to Federal help and not be satisfied with our self-help the better it is for the country.

I recognize that there is in some communities a very different state of affairs. I recognize that in the drought-stricken area there are whole communities which are almost bankrupt, which have to depend on outside assistance. But in these cities in Massachusetts which my colleague has cited and which the Senator from Wisconsin has cited, although there is distress, although there is very extraordinary and unusual unemployment, and although it is going to impose a great burden upon them, yet they are able, and I believe they are willing, to bear the burden, and the less Federal aid is called upon the better it is both for the present and for the future, the less it undermines that spirit of self-reliance which has been our great characteristic, and on which we must depend for our future prosperity.

I do not think my home city of Springfield is an illustration of the need of Federal assistance. Of course, as far as the Federal Government can go to anticipate future needs, to start employment on projects which are worthy in themselves and which sometime must be accomplished, that is desirable and helpful, and we ought to go the limit along that line; but as far as my section of the country is concerned, I think that is as far as the Federal participation ought to go or is requested.

Mr. WALSH of Massachusetts. Mr. President, in view of the references made by my colleague to the city of Springfield, Mass., I ask that the letter of the mayor and the agent of the department of public welfare be read at the desk.

The PRESIDING OFFICER. Without objection, the clerk will read.

The Chief Clerk read as follows:

SPRINGFIELD, MASS., *December 16, 1930.*

Hon. DAVID I. WALSH,
Washington, D. C.

MY DEAR SENATOR: The inclosed report was presented to me by the agent of the public welfare department of the city of Springfield. I think it gives fairly the local condition; if, however, you would like me to secure for you more information, I shall be pleased to do so.

Yours truly,

DWIGHT R. WINTER, *Mayor.*

SPRINGFIELD, MASS., *December 15, 1930.*

Hon. DWIGHT R. WINTER,
Mayor City of Springfield, Mass.

DEAR MR. MAYOR: Facts in relation to the inquiry of Senator DAVID I. WALSH, as far as we can answer them, are:

1. It is very difficult for this department to estimate the number of unemployed from any figures which this office has on file. Personally, I think that there are probably at least 7,000 or 8,000 wage earners who are unemployed.

2. The number of persons who are receiving aid from the city-government welfare appropriation is approximately three times that of 1929. In November the number of families aided were as follows: 1928, 265; 1929, 353; 1930, 993. The approximate number of individuals benefiting by this relief in November, 1930, was nearly 4,000 persons. Of this total of 993 cases there are approximately 700 wage earners out of employment.

3. The following table shows the increase in outside relief expenditure which has been necessary during the past three years:

1928	$172,689.58
1929	198,659.81
1930	382,947.26

You will note that the increase in 1930 over 1929 is 92 per cent, and that practically the entire increase can be charged to the unemployment situation.

4. For the past three months the increase in the number asking and requiring relief has been about 100 new cases per month. We feel that that figure would probably be increased somewhat during the winter months, running from 125 to 150 new cases each month.

5. The assistance of the Federal Government would certainly lessen the burden on the local taxpayers in a situation that the Federal Government should certainly be willing to share.

6. 1927, $27,207; 1928, $45,609; 1929, $29,000; 1930, $51,414. Since the unemployment distress became acute arrangement was made whereby the public department assumed the responsibility in the unemployment cases. The bulk of the unemployment relief in this city is being provided through the public agency.

7. We would certainly favor any appropriation by the Federal Government that would assist in lifting the heavy burdens now being placed on local real estate on account of the unemployment relief.

The general situation as regards unemployment in this city is a good deal the same as exists in industrial centers. The mayor and the city government, however, have provided considerable building activity and considerable construction work, which has helped to reduce the acuteness of the situation. The mayor and the city government have also planned public improvements that are being handled as welfare activities, the labor being furnished by the men who are receiving aid through the welfare department. The aid extended is in return for the labor performed.

Very truly yours,

JOHN F. MADDEN, *Agent.*

Mr. GILLETT. Mr. President, of course, if the Federal Government should appropriate, it would lessen the strain on Springfield, as on every other city; but it does not follow necessarily that the Federal Government ought to do it, and just because a welfare agent would welcome it, it does not show that it is wise.

I think the city of Springfield is able and is willing to take care of its own poor. Of course, nobody denies that there is extraordinary unemployment and that there is a great stress upon that, as upon every other city, but I do not believe that that city, which has always taken care of its own poor, as all the towns in Massachusetts do and have always been able to do, has reached the point of debility and desperation that they pray the Federal Government to step in and help them.

I believe they are fully able to cope with and handle their own problem. I think it is a great deal better for them and for the country that that spirit should be maintained. A great deal of weight should not attach to the fact that the agent for the poor said he would welcome an

appropriation from the Federal Government, as undoubtedly most of the citizens of that city or any other city might thoughtlessly say; it looks like manna from heaven—as if the Federal Treasury was a limitless reservoir that filled itself without cost to anyone. But if they stopped and gave the question serious consideration I believe they would not favor the Federal Government undertaking their support. I think it is a bad principle and a bad policy, contradicting the self-reliant, resourceful spirit which has characterized all our municipalities, and I do not think that as they reflect on it the people of Massachusetts would favor it.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington that the Senate recede from its amendments numbered 11 and 12.

The motion was agreed to.

Mr. JONES. Mr. President, I desire to move now that the Senate recede from its amendment numbered 14.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	George	King	Simmons
Barkley	Gillett	La Follette	Smith
Black	Glass	McGill	Smoot
Blaine	Glenn	McKellar	Steiwer
Blease	Goff	McNary	Stephens
Borah	Goldsborough	Morrison	Swanson
Brock	Gould	Morrow	Thomas, Idaho
Brookhart	Hale	Moses	Thomas, Okla.
Broussard	Harris	Norbeck	Townsend
Bulkley	Harrison	Norris	Trammell
Capper	Hastings	Nye	Tydings
Caraway	Hatfield	Oddie	Vandenberg
Carey	Hawes	Patterson	Wagner
Connally	Hayden	Pittman	Walcott
Couzens	Hebert	Ransdell	Walsh, Mass.
Cutting	Heflin	Robinson, Ark.	Walsh, Mont.
Davis	Howell	Robinson, Ind.	Waterman
Dill	Johnson	Schall	Watson
Fess	Jones	Sheppard	Wheeler
Fletcher	Kean	Shipstead	Williamson
Frazier	Kendrick	Shortridge	

Mr. NORBECK. I wish to announce the unavoidable absence of my colleague [Mr. McMASTER]. I ask that this announcement may stand for the day.

Mr. MOSES. I wish to announce the absence of my colleague the junior Senator from New Hampshire [Mr. KEYES] on account of a death in his family, and will ask that this announcement may stand for the day.

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. JONES. Mr. President, I have moved that the Senate recede from its amendment numbered 14, known as the Couzens amendment to the relief bill. As I have said, personally I have a very friendly feeling toward the principle of the amendment and would like to see something worked out along its lines as a general legislative policy or otherwise. We have done everything we could to sustain and get the amendment adopted on the bill now before us. We proposed to the House conferees a compromise along the lines talked of the other day; but they would not consider any compromise. They are unalterably opposed to the provision going into this particular bill at any rate. What the personal views of the House Members may be upon it as an independent legislative measure I am not advised and can not say.

But we are confronted with the situation to which I referred in connection with the two amendments just disposed of. The bill will be held up indefinitely unless the Senate recedes from the amendment. I do not think we can afford to hold up the bill. It makes immediately available $116,000,000 for relief along the lines everybody is so anxious to have followed.

It may not be an adequate sum, but it is a step we all want to see taken. For that reason I think the Senate should recognize the situation and face it as it is. While we might want to retain the amendment, yet I think the wise thing for us to do is to recede so the $116,000,000 may be immediately available for the relief it will bring.

Mr. COUZENS. Mr. President, would the Senator mind reading the compromise proposed in conference or letting me see it so I may discuss it?

Mr. JONES. I am perfectly willing for the Senator to see it. I can read it better for his information, however.

Mr. COUZENS. I would be glad if the Senator would read it, because it demonstrates to my mind the unreasonableness of the position taken by the House and the absolute uselessness of having conferences with the House when they "stand pat" and the Senate has to recede.

Mr. JONES. We proposed a compromise so the amendment would read as follows:

Provided, That every contract made under the provisions of this bill to which the United States, any Territory, or the District of Columbia is a party, and every such contract made for or on behalf of the United States or any Territory or said District, which may require and involve the employment of laborers or mechanics, shall contain a provision that the contractor or any subcontractor contracting for any part of said work contemplated shall—

Then we proposed to leave out the provision printed in the amendment which related to employing as laborers and mechanics only persons who had been living for at least 90 days, and so forth, and insert the following:

Shall pay to each laborer or mechanic so employed the current standard rate of wages in the vicinity where the work is being performed, and such laborers and mechanics shall work in accordance with the other provisions of the 8-hour law, and the penalties provided in sections 1 and 2 of the act of June 19, 1912, commonly known as the 8-hour law, as to penalties, reports of violations by inspectors, etc., shall apply in all cases to the violations of this act.

Nothing in this act shall apply to contracts made for the construction of Federal-aid highways.

Mr. COUZENS. Mr. President, in view of the discussion that took place prior to the Senate insisting upon the amendment, I think the Senate conferees have done a very good job in trying to effect a compromise. The discussion which took place when the Senate insisted upon the amendment which is now under discussion was to the effect that certain provisions of the amendment might be unconstitutional. At least, when inquiry was made of some of the House conferees, the only objection they were willing to argue was the constitutionality of the requirement that local labor be used. The conferees on the part of the Senate, in the discussion prior to going back for a further conference, evidently got the idea that the Senate would be willing to waive perhaps that feature of the amendment which required the employment of local labor and which might in fact be unconstitutional, and accept a provision which insisted upon the maintenance of wages.

So far as I am personally concerned, I would be perfectly willing to have the bill defeated in preference to giving contractors $116,000,000 for the purpose of depressing wages. In other words, the $116,000,000 is only a drop in the bucket, but it is enough to enable them to go out and tempt thousands of unemployed to surrender their self-respect and accept whatever wage the contractor sees fit to pay. If it is necessary in this country for conditions to get worse in order to have them get better, I am for making them just as bad as it is possible to make them in order to accomplish that result. If that sort of thing is necessary to waken the employers, the Federal and State Governments to the necessity of maintaining standards of wages, then we had better go the limit and find out just how far the State and Federal Governments are willing to go in the depression of wages.

I have made this argument time and again. I have been preaching the principle for years, but it would seem that we might as well abolish the Senate when it comes to accomplishing our desires in a disagreement between the Senate and the House.

However, it appears that we might just as well abolish the Senate when it comes to a disagreement between the Senate and the House, for the Senate is always confronted with a statement from the conferees that the House is adamant and refuses to yield, and, therefore, the Senate must yield. That situation never seems to be presented in the House of Representatives. It seems that about the only thing we can do when we get into a controversy of this sort

is to insist that the House Members be permitted to vote on the individual amendments; but in this case even that has not been done.

Mr. FLETCHER. Mr. President, will the Senator from Michigan yield to me?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Florida?

Mr. COUZENS. I yield.

Mr. FLETCHER. According to a newspaper report, the Ford plant, which has been employing men for three days a week, is now closed down for the purpose of taking an inventory. It is further reported that other plants in Detroit have closed for the present. Can the Senator from Michigan give us an idea about how many employees such action would probably throw out of employment?

Mr. COUZENS. I should say that an estimate as to the closing down of the Ford plant——

Mr. FLETCHER. And also the closing down of the other plants.

Mr. COUZENS. I do not know much about the other plants; but I should think the closing down of the Ford plant alone would result in the throwing out of work for three or four weeks of at least 125,000 men. That is only an estimate, because contingent upon that plant closing down will, of course, be the closing down of other plants that make parts and supply materials. As to the result of the closing down of such other plants I have no way of arriving at an estimate. However, entirely outside of the speech made by the Senator from Wisconsin [Mr. LA FOLLETTE] this morning, conditions are getting worse, and we are going on for the first three or four months of 1931 with perhaps the worst economic condition this country has ever seen. Yet we quibble about a few million dollars; we quibble about whether or not we are going to help maintain a standard of wages and decide to throw out a crumb or two here and there to be used by the contractors as they see fit, with the result, in all probability, of depressing wages beyond the point of a decent living wage.

I have nothing further to say, for I think I know when I am licked, and I certainly am licked in this case.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Washington [Mr. JONES] to recede from amendment No. 14.

The motion was agreed to.

MODERNIZATION OF BATTLESHIPS

Mr. SWANSON. Mr. President, Senate bill 4750 has been pending here for some time on a motion made by the Senator from Utah [Mr. KING] to reconsider the vote by which it was passed. The Senators opposed to the measure, the Senator from Iowa [Mr. BROOKHART], the Senator from North Dakota [Mr. FRAZIER], and the Senator from Utah [Mr. KING], have agreed to let the motion go over if it may be made a special order for 2 o'clock January 6, 1931. I ask unanimous consent that the order may be now entered.

Mr. JONES. The unfinished business, the maternity bill, is not yet disposed of.

The PRESIDING OFFICER. The proposed order will be read by the clerk.

The Chief Clerk read as follows:

SPECIAL ORDER

Ordered, by unanimous consent, that the motion to reconsider the vote on the passage of the bill (S. 4750) to authorize alterations and repairs to certain naval vessels be made a special order for 2 o'clock p. m. on Tuesday, January 6, 1931, and that the unfinished business then pending, if any, be temporarily laid aside for the consideration of the above motion.

The PRESIDING OFFICER. The Chair will state for the information of the senior Senator from Washington [Mr. JONES] that the unfinished business would retain its position under the proposed unanimous-consent agreement. Is there objection to it?

Mr. DILL. What is the unanimous-consent proposal?

The PRESIDING OFFICER. It will again be read for the information of the junior Senator from Washington.

The Chief Clerk again read the proposed order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 15256) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1932, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

S. J. Res. 211. Joint resolution for the relief of farmers in the drought and/or storm stricken areas of the United States; and

H. J. Res. 253. Joint resolution to provide for the expenses of a delegation of the United States to the sixth meeting of the Congress of Military Medicine and Pharmacy, to be held at Budapest in 1931.

PETITION

Mr. NORBECK presented the petition of James O. Berdahl and sundry other citizens of Sioux Falls, Spencer, and Salem, S. Dak., praying for the ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

RELIEF OF DISTRESS WITH A GIFT

Mr. CARAWAY. Mr. President, I send to the desk and ask to have read a letter. It came to me a moment ago with a check for $5. It comes from Albert Weldon, sr., of 306 East Two hundred and sixth Street, Bronx, New York City, N. Y.

Of course, I do not know this gentleman. I never heard of him. I only know what he says in this letter; and the check for $5 that he incloses indicates the gentleman he wants to receive it.

Of course, I am grateful to him. He shows a fine spirit. I hope he will not feel offended when the check is returned to him, because I do not feel that private individuals ought to take care of any situation that primarily rests with the Government. I desire, however, to have the letter read and incorporated in the RECORD.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Chief Clerk read as follows:

DECEMBER 14, 1930.

Senator T. H. CARAWAY.

DEAR SIR: After reading the inclosed I was unable to sleep, thinking of the poverty of our dear fellow citizens way out there in Arkansas. How I wish I could send $5,000 instead of $5. However, I hope you can give a little cheer to a couple of those dear families, particularly the man with the eight children living at Cash.

Not knowing just how to proceed, I copied your name from the clipping. I trust you will pardon my presumption in detailing you to attend to this little love gift from our family. We do hope something can be done. Sometimes a small snowball, if rolled, becomes quite large. Oh, how we hope this will be the case with you and your people.

Sincerely,

ALBERT WELDON, Sr.,
306 East Two hundred and sixth Street,
Bronx, New York City, N. Y.

Mr. CARAWAY. Mr. President, I know of no more touching tribute to the spirit that somebody said made all mankind akin than the generous contribution of this unknown man in New York City to somebody out in my State whom he never knew and never will see.

NAVAL ACADEMY BAND—PAPERS

Mr. GOLDSBOROUGH presented papers to accompany the bill (H. R. 10380) adjusting the grades and ratings of the Naval Academy Band, which were referred to the Committee on Naval Affairs.

REPORT OF PUBLIC LANDS AND SURVEYS COMMITTEE

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3073) to amend the act of April 9, 1924, so as to provide for national-park approaches, reported it with amendments and submitted a report (No. 1211) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 5475) for the relief of the George C. Mansfield Co. and George D. Mansfield; to the Committee on Claims.

By Mr. SIMMONS:

A bill (S. 5476) for the relief of Rufus J. Davis (with accompanying papers); to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 5477) to extend the benefits of the employees' compensation act of September 7, 1916, to Dora M. Jeffery (with accompanying papers); to the Committee on Claims.

A bill (S. 5478) for the relief of William H. Purkins; to the Committee on Naval Affairs.

A bill (S. 5479) granting an increase of pension to Annie E. Porter (with accompanying papers); and

A bill (S. 5480) granting an increase of pension to Elizabeth D. Wise (with accompanying papers); to the Committee on Pensions.

By Mr. HASTINGS:

A bill (S. 5481) to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 5482) to amend subdivision (7) of section 202 of the World War veterans' act, 1924, as amended, in respect to persons suffering from tuberculosis; to the Committee on Finance.

A bill (S. 5483) to grant increased pensions to certain survivors of the Indian wars; and

A bill (S. 5484) granting an increase of pension to Elizabeth Williams (with accompanying papers); to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 5485) granting an increase of pension to Eugene Little; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 5486) to amend section 115a of an act entitled "An act to establish a Code of Law for the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. WALSH of Massachusetts:

A bill (S. 5487) granting a pension to Albert E. Sullivan (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 5488) granting an increase of pension to Mary L. French (with accompanying papers); and

A bill (S. 5489) granting a pension to Flora E. Mosher (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 5490) for the relief of Ashley C. McKinley; to the Committee on Military Affairs.

A bill (S. 5491) granting an increase of pension to Anna Glynn (with accompanying papers); and

A bill (S. 5492) granting a pension to Willie T. Pry (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 5493) granting a pension to Margaret Kent (with accompanying papers); to the Committee on Pensions.

By Mr. ROBINSON of Indiana:

A bill (S. 5494) for the relief of Allen A. North; to the Committee on Military Affairs.

A bill (S. 5495) granting an increase of pension to Margaret Treadway (with accompanying papers); to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 5496) for the relief of Karl J. Howe; to the Committee on Military Affairs.

By Mr. GILLETT:

A bill (S. 5498) to restore to the active list of the Marine Corps the name of Albert Hamilton; to the Committee on Naval Affairs.

A bill (S. 5499) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Post Offices and Post Roads.

APPROPRIATION FOR DROUGHT RELIEF

By Mr. CARAWAY:

A bill (S. 5497) making an appropriation to carry out the provisions of the joint resolution for the relief of farmers in the drought and/or storm stricken areas of the United States, approved December 20, 1930.

Mr. CARAWAY. This is a bill appropriating $15,000,000 under Senate Joint Resolution 211 for drought relief. I hope in some way that some help may come out of it to those who are so sorely in need. I move that the bill be referred to the Committee on Appropriations. The motion was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 15256) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1932, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HEARINGS BEFORE THE LOBBY INVESTIGATION COMMITTEE

Mr. CARAWAY submitted the following resolution (S. Res. 382), which was considered by unanimous consent and agreed to:

Resolved, That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on the Judiciary of the Senate be, and is hereby, empowered to have printed for its use 450 additional copies of part 9 of the hearings held before its subcommittee on lobby investigation.

LOANS BY FEDERAL FARM LOAN BOARD

Mr. HEFLIN. I submit a resolution which I ask may be read, lie on the table, and go over under the rule.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The resolution submitted by the Senator from Alabama will be read.

The Chief Clerk read the resolution (S. Res. 383), as follows:

Resolved, That the Federal Farm Loan Board is requested to submit to the Senate, within 20 days after the date of adoption of this resolution, the following information: (1) By States, the number of loans now outstanding made by banks under the supervision of the board, for purchase of land, and the total amounts so loaned; (2) the names of the persons to whom such loans have been made, specifying the number of such persons who are meeting their payments, and the number failing to meet their payments; and (3) what disposition is made of the lands foreclosed because of the failure to repay money so borrowed.

The PRESIDING OFFICER. The resolution will go over under the rule.

EXECUTIVE MESSAGES AND APPROVAL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on December 19, 1930, the President approved and signed the act (S. 4400) to legalize a pier constructed in Chesapeake Bay at Annapolis Roads, Md., and to legalize an intake pipe in Warren Cove, at Plymouth, Mass.

BOUNDARY LINE BETWEEN THE CANAL ZONE AND REPUBLIC OF PANAMA

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Military Affairs:

To the Congress of the United States:

I inclose a communication from the Secretary of State recommending a modification of the boundary line between the Panama Canal Zone and the Republic of Panama, so far as it affects the parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

I recommend that the Congress enact the necessary legislation authorizing and empowering the Secretary of State to effect the modification of the boundary line as recommended by him.

HERBERT HOOVER.

THE WHITE HOUSE, *December 20, 1930.*

NATIONAL MOTORWAYS

Mr. FRAZIER. Mr. President, I ask permission to print in the RECORD a statement by Lester P. Barlow, a well-known authority, with reference to national motorways, published in the Stamford (Conn.) Advocate of December 19, 1930.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

[From the Stamford (Conn.) Advocate, December 19, 1930]

The paramount issue before the Federal Congress and the various State legislatures is the reestablishment of national prosperity on a sound and lasting basis. The American people are done with prosperity periods of skyrocket characteristics which flash brilliantly at the top only to fall back into agonizing depressions and despair.

The Federal and State governments must cooperate in the development of a permanent, stabilizing, economic governor for the Nation's industries. It must be self-sustaining and not dependent on Federal or State appropriations from taxes. Such an economic governor must be established in the immediate future.

Regardless of what may happen in other parts of the world, no reasoning can explain why the United States should experience a depression such as is now upon us.

The present business depression in America is a perfect indictment of the whole people of this Nation. Our natural resources are bountiful. The mountains of this country are bursting with useful minerals. Our valleys and our plains are capable of supplying food and clothing for hundreds of millions of people. We are people of great intelligence and skill. The inventive genius of our citizens is unmatched by any other nation. We are ambitious, we are energetic, we are capable of great vision. We are decendants of pioneers of great resourcefulness and courage. We can revive within ourselves the courage of our forefathers. We will throw off this national depression and prevent similar conditions in the future.

To admit that the welfare of this Nation is depending upon the rest of the world—to adhere to the theory that depressions are a natural phase of the business cycle, is to concur with the superstitious.

The United States is a $400,000,000,000 Nation. We must not rest until every able-bodied man and woman may be usefully employed if they so desire and their place in industry must provide them with the accepted American standards of living. Charity and help for the needy, for the present, must be provided. All political factions must cooperate to meet the immediate needs of unfortunate people, but we insist that in the immediate future and thereafter, able-bodied men and women must not again be compelled to seek relief through charity.

With the widespread industrial depression throughout the Nation, all practical and legitimate effort should be applied to relieve the misery of millions of unemployed people. From the President down, the officials of our Nation and States must not forget for a second that these unemployed people are facing an emergency and a chaotic condition hourly. They are to a great extent hungry and hopeless, and feel that this great Commonwealth of ours, with its gigantic wealth, has no interest in their well-being.

As our industrial mergers and bank mergers become greater and greater, with some valued at over a billion dollars and with a prediction of mergers to come of two, three, four, or five billions, we find all over this Nation men and women going out of employment to the extent of one, two, three, four, and five millions. This is all out of harmony. With the creating of the great financial and industrial mergers, employment must go up with the rise of the financial powers of industry. The day of reckoning is here. Honest discussion must prevail. Politics must be suspended. Human interest must be at the helm, not greed. Great as we are in America, we are no greater than our ability to think in terms of human interest.

Congress is now debating ways and means for relieving the business depression. On June 4, 1929, during the special session of Congress called by the President, Members of Congress and present leaders within the administration group introduced in Congress the Phipps-Robsion joint resolution. This resolution, when introduced, was bulletined throughout the Nation by the Chamber of Commerce of the United States as important legislation proposed. The resolution calls for the creating of a Federal commission to be known as the United States motorways commission. The motorways commission is to be authorized and directed to study proposals for the establishment of a national system of express motorways with a view to making recommendations to Congress with respect to the establishment and maintenance of such a system.

When the stock market crash of October, 1929, threw the Nation into a business depression, three prominent administration leaders had a conference at the White House with the President. They asked him to support the motorways commission bill.

The men above referred to who conferred with the President were Senator LAWRENCE C. PHIPPS, Representative John M. Robsion, and Representative JOHN Q. TILSON, majority leader of the House. I attended that conference as engineering advisor.

They told the President that the motorways commission would go far in helping to stem the depression and would provide plans for the useful employment of hundreds of thousands of people. The President failed to give his support to the measure in spite of the plea of prominent men within the administration circle. In the Senate, the bill was before the Post Office and Post Roads Committee, of which Senator PHIPPS is chairman. He succeeded in getting a unanimous report from his committee, favoring the passage of the bill. A portion of the United States Senate committee's report is as follows:

"* * * Recently there has arisen an increasing demand for more trunk roads or express motorways, so as to relieve congested traffic conditions and expedite travel. This is not a matter of pleasure but of business. The demand comes on account of the increased importance of a network of good roads for industry, for the farm, for the transportation of freight, including foodstuffs, and for travel on the part of the general public.

"With this problem may be linked the solution of the unemployment situation. The proposal of a great network of express motorways connecting the East, West, North, and South offers a program of improvement which is especially susceptible of expansion and contraction to meet fluctuations in employment. Such a program means that the Nation will seek labor and not labor seek employment.

"The commission authorized by the pending resolution should go a long ways in solving these difficulties and in helping to straighten out the national traffic tangle. Its members would consist of representatives of the public and of all interested Government departments, including the House and Senate. They would make a thorough and impartial inquiry into traffic needs, having the immediate future in mind, and would suggest methods of working out the important problems involved. * * *"

The Senate body passed the bill by unanimous vote and without debate, and without President Hoover's requested encouragement. It was clear to all of the Senators if not to the President the vast importance and need for such a Federal agency.

Under pressure of the railroads and major banking interests, the administration leaders on the House side have held the bill locked in the Committtee on Rules. The House Rules Committee should report this bill out favorably at once. The House should pass it and the President should sign it without delay. With the motorways commission in existence, it will be possible for the first time for the many worthy suggestions for a national system of express motorways to be presented to a Federal agency with authority to coordinate the interests of all the Federal branches and the various agencies of the States and municipalities and make a comprehensive and thorough report to Congress. The motorways commission bill has been before Congress for a year and a half.

At the time of the introducing of the motorways joint resolution in Congress, Senator PHIPPS, in a public statement, expressed himself as follows in regard to the proposed motorways commission:

"In introducing the joint resolution with Representative Robsion for the creating of a United States express motorways commission, I believe we are offering a measure which will save years of haphazard investigation as well as hundreds of millions of dollars to the taxpayers of this Nation.

"If this commission is created, it will handle the problem in scope which will be nation-wide. The plans will call for a great system of express motorways, the initial projects will be put into operation where traffic conditions most demand.

"It is time to consider the feasibility of public-owned express highways, especially in view of the recent efforts to obtain private concessions of this nature. Roadways upon which faster and more direct travel will be permitted are becoming a necessity. The question involved is whether the United States should take a hand. The proposed investigation will aid Congress to determine that matter with a view not only toward solving the traffic problems but also the question of unemployment. * * *"

Representative Robsion made a similar statement as follows:

"We propose in the resolution the creating of a Federal commission to study the subject of national express motorways and to propose ways and means for meeting the problems involved. * * *

"There are many valuable suggestions and plans and, beyond a doubt, practical ways and means of working out an express motorways system adequate for the needs of the American people. The plan should be nation-wide, and although the initial projects put into operation should be where traffic conditions most demand, these should be carefully planned as a part of a national hook-up scheme before construction starts * * *."

The citizens of the United States look to President Hoover to solve the unemployment situation, and they also expect him to straighten out the national traffic tangle.

We could tackle the problems of unemployment and national express motorways as a joint problem, and we could prepare to meet at the same time all of the problems relative to the subject.

The financing and creating of a national system of express motorways would relieve practically all unemployment in this country. There would be increased property valuation in the United States of several billions of dollars. A long period of prosperity would be guaranteed, and the express motorways would be one of the greatest achievements in our history.

The majority leader, Representative JOHN Q. TILSON, telegraphed State Senator W. W. Westall, of New York, last April as follows:

"* * * The present unemployment situation, in my opinion, warrants immediate action in the direction of highway improvement along sound lines. I believe the New York Legislature has a great opportunity to do a national service by passing this bill and making a start on a national express-motorways system. If a New York-Boston express highway is built I hope it will be a model for the Nation."

The American motorists are now paying annually in gasoline taxes over a half billion dollars. That means that all of the streets and highways in America are toll highways. Furthermore, this toll is popular with the American people, as it goes far in paying the highway-construction costs. We should not hesitate now to inaugurate a program of a national system of toll express motorways. Such a program could be developed through the policy of "Let those who use them pay for them."

The Holland Tunnel in New York, a $44,000,000 toll project and owned by the public, has proven highly popular. The $33,000,000 public-owned bridge at Philadelphia and Camden is another popular toll project. The new $66,000,000 Fort Lee Bridge across the Hudson River, a public-owned toll project, is a construction that the people of the East point to with pride. There is no doubt but what the American people are now ready to extend a national plan of construction which will create a high order of efficiency of motor transportation through the traffic-congested districts throughout America.

Staid tradition has always been the archenemy of progress, and the energy expended in overcoming tradition often leaves the victor without energy or resources to do what progress demands. In time the ever-mounting rebellion in the mind of the public against tradition severs the leashes and makes possible the accomplishing of the requirements of advancing civilization. The people of the United States have now reached the state of mind which will support a program of a basically new national motorways system.

This Nation is entitled to boast great national motorway trunk lines. We must have them. We have reached the end of the trail. "Detour" will no longer get us by; neither can we longer "detour" our responsibilities relative to motor highways.

The ever-mounting automobile casualty list has become colossal, carrying with it widespread grief and terrific economic loss. The present situation is a 24-hour catastrophe, going on 365 days a year. Our so-called national highways are murder traps, more destructive of American lives and property than any enemy has ever been. We stand ready always to meet foreign enemies, yet we peacefully submit to destruction at the hands of a ruthless enemy within our midst.

The economic loss to the motorist because of inadequate motorways is beyond comprehension. The loss amounts to hundreds of millions of dollars annually, not figuring the losses due to wrecked cars and lives. Figuring the loss of waste gasoline, oil, tires, and wear and tear on the car proper, the total becomes staggering, but when the loss of time, due to the loss of car-miles, is added we run out of figures. We then realize to some extent how frightful the loss really is.

Consideration of the foregoing indisputable facts makes it imperative that, without delay, a remedy be sought which will check the enormous waste and capitalize the saving by using it for the purpose of building adequate motorways.

As an evidence of the tremendous revenue-earning possibilities of motor-toll projects when publicly owned, the Holland Tunnel in New York is an excellent example. This project is paying annually 11 per cent on a $44,000,000 investment. The bridge at Camden and Philadelphia, owned jointly by the States of New Jersey and Pennsylvania, cost $33,000,000 to construct. It is paying off its entire cost of construction and interest on the debt in a period of 13 years. The new Fort Lee Bridge across the Hudson River at New York is costing $66,000,000 to construct. It is expected that this bridge will pay off its entire cost of construction within a period of 10 years.

These projects are financed by bonds, 80 per cent of the security of the bonds being the property of the projects themselves, yet the bonds were sold without effort and are considered A 1 investments.

These projects have all been opposed by the railroad interests, and the Phipps-Robsion resolution before Congress to-day, calling for the creating of the express motorways commission, has its principal opponents in the railroad groups. President Atterbury, of the Pennsylvania system, has publicly stated that when the express motorways are built they will be built by the railroads and operated under the railroad traditions.

President Pelley, of the New Haven Railroad, has recently stated in the presence of a group of business men and directors of that railroad that it is to the interest of the railroad that the highways are congested. "The New Haven Railroad is opposed to the building of the express motorways to-day, to-morrow, and forever. We doubt the necessity for such motorways, but even if there is a necessity we shall block the construction of express motorways just as many years as we can. If the public does not like the congested highways, let it ride the railroads." This is the old spirit of Vanderbilt, "Let the public be damned."

When the express motorways develop in America, they must be publicly owned at the start and always remain the property of the general public.

The railroads should be extended every possible consideration, and wherever possible the express-motorway system should be blended with the railroad facilities. The various railroad organizations which have long served the communities of the Nation should be protected. The express motorways should not be operated in competition with the railroads through the medium of small bus and truck companies which have no responsibilities to the public. Neither should the railroads be allowed to monopolize the express-motorway system at the expense of the general public, but the motorways commission should propose ways and means whereby both the general public and the railroads would benefit by the coordination of the public service through railroads and motorized transportation.

This railroad problem offered here for consideration is an illustration of the colossal problems facing the people of this Nation and which can not be met other than through a Federal constituted commission of the broadest scope.

We do not advocate the abandonment of the present State highway systems nor do we propose that the States surrender jurisdiction over their roads. We propose, in addition to the present State and municipal highways, a great system of Federal express motorways. We are for the continuance of the Federal-aid program for improving State roads as they must be the feeders of the Federal express motorways to come.

I have been assured by many of the so-called western independent Senators that they will give their support to companion legislation to the motorways commission providing for the cooperation by the Federal Government with the States in guaranteeing of any interest on any portion of financing bonds for the express-motorways projects which have been approved by the Federal motorways commission.

Here is an offer from western Senators to help the industrial East. Where are the Connecticut Senators? I'll tell you—they are with the "railroads" and "high finance."

As an evidence of the magnitude and possibilities of motorways which present themselves to the American people at this time, we suggest the building of a nation-wide express-motorways system to be built to a national coordinated plan, the first units to be built in the heavily populated districts and later these districts to be hooked up by connecting links through the open country, the completed system to cost between five and six billions of dollars.

We propose as a possible 5-year program to be initiated immediately that the first units of the national system be planned in the following localities. With these localities we set up a table of mileage and the proposed cost of construction. This initial construction would be through heavily built-up sections, and would naturally result in an expenditure per mile greatly in excess of expenditures required in open country between the cities. In most of the cities the cost of construction would average approximately $4,000,000 per mile. From engineering data available to us we believe that the construction in heavily congested districts would be kept within the $4,000,000-per-mile estimate. This could be accomplished by building over the tops of specially constructed buildings through the cities rather than over the streets of the cities. Under this plan the traffic would not be visible from the streets and could be made practically soundproof. The buildings beneath the motorways, which would be constructed of concrete and steel, would provide excellent housing facilities for families and business. New York and other cities may find through this suggestion the solution for the removal of thousands of antiquated tenement buildings and their replacement by pleasant and healthful modern structures, with storage space on their roofs for tens of thousands of motor cars, as well as the space required for the express motorways tracks. We suggest the following cities for the initial construction. Other cities may be added.

District	Mileage	Cost of project
1. New York and New Haven Motorways	65	$200,000,000
2. New York metropolitan district	50	600,000,000
3. Chicago	50	200,000,000
4. Detroit	30	120,000,000
5. Boston	30	120,000,000
6. Cleveland	20	80,000,000
7. Pittsburgh	20	80,000,000
8. Philadelphia	20	80,000,000
9. Baltimore	15	60,000,000
10. St. Louis	15	60,000,000
11. Los Angeles	30	120,000,000
12. San Francisco	20	80,000,000
13. Minneapolis and St. Paul	15	60,000,000
14. Omaha	10	40,000,000
15. Atlanta	10	40,000,000
	400	1,940,000,000

Although our proposals for the construction of a national system of express motorways calls for huge expenditures, these expenditures do not affect the treasuries of the various States or the Federal Government other than that which applies to possible interest during construction periods. The billions of dollars which will be required in the building of the national express motorways will be derived from their own earnings.

These projects may be financed by bond issues secured by the property of the particular motorways projects authorized constructed, the interest on the bonds to be guaranteed for 10 years at 4½ or 5 per cent per annum, the interest guaranteed to be equally divided between the Federal Government and the State or States affected. The bonds would be retired by the toll earnings of the motorways projects. The interest which may be advanced as guaranteed by the Federal Government and the States would constitute a loan which would be equivalent to a small part of the actual construction cost and would be returned to the Federal Government and the States from the first earnings of the motorways projects.

Taking into consideration the number of men employed and the production of materials for these projects, such as steel, cement, sand, gravel, lumber, and other commodities, it would be safe to estimate the average number of employed at 1,000 men per mile during the construction period. In the preliminary 5-year program that would mean 400,000 people, either directly employed on

the construction or in the creating of the materials for the projects. Because of the increase in land values due to the development of the motorways from one to three times as many people in addition would be employed in other related activities. Geared into the proposed self-amortizing motorways plan could be all State and Federal public works, such as waterways, flood control, harbors, Muscle Shoals, and other hydropower projects, highways, public buildings, airway improvements, and irrigation developments.

Now, if the building of these projects were speeded up or retarded in direct relation to the conditions of private industries we could balance the general industrial plan indefinitely. Also in a few years' time the toll income from the express motorways would develop into enormous proportions, thus rapidly paying off the construction costs of the motorways projects and providing a continuous profit to the Federal and State Governments. If the toll should be maintained over a period of 100 years, with the understanding that all surplus earnings would go into the financing of highway projects only, we would have this self-supporting program to stabilize the Nation's industries and employment for almost a century into the future and at the same time we would be greatly reducing the Nation's tax burdens relating to highway construction which must come.

A heroic plan, yes; but this is a $400,000,000,000 Nation, and it can not be affected in any way by a 5 and 10 cent program. It will take tall figures from now on to get this Nation on its feet and keep it there. This we sponsor as a sound policy for the relief of industrial depression and insurance against similar future depressions.

Industry is now riding in the same boat as agriculture. The welfare of both is necessary to establish and maintain a high national confidence.

Another thing we must keep in mind is that within 10 years the entire world will be choosing between our form of government and the socialistic form now on the rise in Europe and Asia. If we are to guarantee our high standard of living for the future, we must raise the standard of living of every great industrial power which may develop in Europe and Asia. Whether we like it or not, the Soviet 5-year program will materialize in 1932. That is our presidential election year, and unless we set our house in order in the immediate future we are bound to come out of the 1932 election with a very radical Congress.

We should not only set up our own economic industrial program in a positive and effective way but we should invade with our principles all of the major industrial centers of Europe and Asia in order to raise the standard of living of the people in those nations, so that we will not be competing in a few years with their present low-wage standards. We are now in an economic race as a Nation with a new order of a national industrial program being followed by Soviet Russia. We must prove our type of government as superior to the rest of the world or we will find ourselves standing alone against the whole world in less than 10 years, a decidedly disadvantageous position to contemplate. It is time for us to face the music and by our own superior energies and intelligence write the tune that the rest of the world will dance to willingly.

The greatest period of prosperity and happiness is ahead of the American people, and we must take the world with us.

MONETARY CONDITIONS OF THE WORLD

Mr. PITTMAN. Mr. President, I have here an article published in the Financial Times of Montreal, Canada, by a very distinguished economic writer, on the monetary conditions of the world to-day as affecting depression. It is a very able article, which I would like to have printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the Financial Times, Montreal, Canada, December 12, 1930]

ANOTHER DANIEL COMES TO JUDGMENT

By P. A. O'Farrell

Sir Charles Stewart Addis, chairman of the Hong Kong and Shanghai Bank, is on a mission to the United States to enlighten its citizens as to how world-wide panic may be ended. "All that is necessary," Sir Charles says, "is to swing American public opinion to enthusiastic support of the World's Bank at Basle."

Of course, the World Bank would like, first of all, to have a billion or two of America's gold placed in incubators in its cellars to be hatched after the manner of the fabled goose golden-egg production.

So long as yellow metal is stored in the United States Treasury it is sterilized, but transplanted to the banks of the Rhine under the ægis of European bankers it at once becomes fruitful like the garden of Adonis which "One day bloomed and fruitful was the next."

Sir Charles scorns the thought that underconsumption has anything to do with what he calls "the worst slump in more than a hundred years."

"Such a thought," he declared, "was too subtle for him." It is not too subtle, however, for great captains of industry like Henry Ford, Owen D. Young, or Walter Teagle. He also insists the catastrophic fall in the value of silver did not cause the slump.

The Hong Kong Bank has made untold millions selling unstabilized silver bullion at enormous profit.

The restoration of stabilized metallic silver is the last thing on earth which the Hong Kong and Shanghai Bank wishes to see.

So Sir Charles Addis can not comprehend why the 90 per cent drop in the purchasing power of silver has had anything to do with the bankruptcy of the Orient and with the phenomenal slump in the purchasing power of more than half the people of the earth.

He would have us believe that overproduction, swollen inventories, and $20,000,000,000 of frozen capital have nothing whatever to do with this world-wide depression.

He claims the worst slump in a hundred years will vanish like Prospero's ghosts, provided American public opinion swing to the support of the cosmopolitan bank, whose destiny is being shaped under the wing of the goose that lays the golden eggs.

Sir Charles sorrowfully confesses that, unless currency be stabilized to a "reasonable extent," even the high priests of finance will fail in their efforts to rescue the world from the doldrums of the worst slump since Waterloo.

It did not need a Daniel from Hong Kong or a ghost from the grave to tell the American or the Canadian people that the high road to economic salvation lies in the stabilization of the price of gold, or, in other words, the stabilization of currency.

To a large gathering of American bankers Sir Charles preached a new gospel when he informed them that: "True wisdom lies in the masterful administration of the unseen."

George Bernard Shaw could not have surpassed that subtle thought.

Masterful administration of the unseen and unknown is something the American bankers know nothing about. They leave the unseen and unknown to the great bankers of London and Berlin who assassinated the world's stabilized silver and gold monetary system which had so efficiently served the human race for some six or ten thousand years.

One extraordinary thing about the masterful administrators of the unseen and unknown is their unwillingness to look facts in the face. They talk about stabilizing the price of gold and immediately declare that the single gold standard must not be abandoned.

GOLD STANDARD IS FRAUD

If the price of gold is not stable, the gold standard is a fraud "a living lie."

If it is necessary to stabilize the price of gold after 60 years of unstable gold price levels, then the initiation of the single gold standard was a monumental swindle.

It might be well for the world if Sir Charles and his colleagues in the World Bank and his associates in the Bank of England would give some consideration to these facts and leave the masterful administration of the unseen and unknown to George Bernard Shaw and G. K. Chesterton.

Tradition and history tell us that in the age of Homer, Solomon, and Ossian there were great supplies of gold and silver. "Silver," says the Bible, "was as common as stones in the streets of Jerusalem when Solomon was king."

In the Third Book of Kings we read: "The weight of the gold that was brought to Solomon every year was 666 talents of gold. A talent was 1,500 ounces troy.

As an ounce of gold had at least more than fortyfold the purchasing power in Solomon's time it has now, his yearly tribute in gold must have been something like $720,000,000.

Solomon must have had a superabundance of gold, for the Bible reads: "He made 200 shields of the purest gold. He allowed 600 shekels of gold for the plates of 1 shield. And 300 targets of fine gold; 300 pounds of gold covered 1 target. And the king put them in the house of the forest of Lebanus. King Solomon also made a great throne of ivory and overlaid it with the finest gold. Moreover, all the vessels out of which King Solomon drank were of gold and all the furniture of the house of the forest of Lebanus was of most pure gold.

"For the king's navy once in three years went with the navy of Hiram by sea to Tharsis and brought from thence gold and silver and elephants' teeth and apes and peacocks."

In the account of the Queen of Sheba's visit we read:

"Entering into Jerusalem with a great train and riches and camels that carried spices and an immense quantity of gold and precious stones she came to King Solomon.

"And she gave the King 120 talents of gold and of spices a great store and precious stones."

Even in these days a present of 180,000 ounces of gold might gladden the heart of a king. In our currency its value would be in excess of $200,000,000.

FOOD FOR THOUGHT

These facts relative to 3,000 years ago afford much food for thought.

People who think that pomp, splendor, and civilization began with the Bank of England or the discovery of Wall Street will find much to learn in the story of Solomon.

In all probability Europe and Asia produced more gold and silver in ancient times than the western world, Australia, and South Africa have produced since their discovery.

All that wondrous wealth of gold and silver has vanished. It had vanished practically before Columbus set out on his great adventure.

Since 1492 silver and gold production is estimated at 1,100,000,000 ounces of gold and 15,000,000,000 ounces of silver.

Inaccuracies and duplications are of course unavoidable in such estimates. Much of this silver and gold was looted from the temples where it had rested for thousands of years.

All the gold and silver mined since 1492 has gone with the gold and silver mined before, save less than 4,000,000,000 ounces of monetary silver and 500,000,000 ounces of monetary gold.

Where is all the gold of King Solomon? Where are the snows of yesterday?

Only children and never-grown-ups prattle about abundant gold and silver supplies. The supplies of both gold and silver are tragically inadequate.

The bankers who scuttled stabilized silver money did, so they claimed, through fear of inflation. Just the same old tale told by the serpent in Eden.

If bankers had allowed the Roman parity of silver and gold to stand, we might have to-day $13,000,000,000 of gold and $12,000,000,000 of silver in circulation, or a total of $25,000,000,000 of metallic money. That would be $12.50 per capita of metallic money. France has $50 per capita, Argentina $41, United States $35, and England $15 per capita money.

Instead of the $10,000,000,000 of metallic money now in the world there should be at least $50,000,000,000 of stabilized silver and gold. That would mean $25 per capita for the human race, or half the per capita metallic money now in use in France.

FAMINE IN METALLIC MONEY

In the world of to-day there is an actual famine in metallic money. On the other hand, there is a deluge of inflation paper credit currency of all kinds amounting to probably $500,000,000,000.

The high priests of central banks, to whose administration democracy has turned over the minting of currency and the control of gold supplies, as well as the printing of hundreds of billions of inflation money, display a far more decided preference for fluctuating metal and paper currency than for stabilized gold or for stabilized silver money.

It is through the agency of unstable currency and unstable gold that great bankers win their fabulous fortunes.

Nineteen hundred years ago money changers were referred to as a "Den of thieves," and likened to a "Whited sepulcher, fair to the outside and full inside of dead men's bones and all filthiness."

Plutocracy has usurped the fabrication of counterfeit money, not worth 10 cents on the dollar. It has forged a species of currency which has impoverished the producers and wage earners of all nations.

Plutocracy has robbed the widow and the orphan. It has wrecked the orderly production and distribution of the necessaries of life and it has caused hundreds of millions of God's creatures to die of hunger, want, and disease.

It did this when it altered and adulterated the parity of the precious metals, and when finally it made gold the sole currency by assassinating the world's stabilized monetary system it committed as infamous a crime as murder or the sins of Sodom.

Defrauding the laborer of his hire and oppression of the poor, the Bible tells us, call to heaven for vengeance. Plutocracy, however, no longer believes there is a God in heaven, or if there be, banking and usury are not His concern.

However, banking, usury, counterfeit and soap-bubble currency concern democracy. Unfortunately, democracy is like Balaam's ass. Balaam was the priest, prophet, politician, and financier, who rode his ass to death. So does every upstart, for Shakespeare tells us: "The beggar on horseback rides his nag to death."

Balaam typifies plutocracy and the ass democracy. The patience of Balaam's ass has become a proverb. The ass had more sense and vision than the master he tried to save from perdition. But the master would not be saved and would not turn aside from his evil ways. Instead, he kicked and whipped his ass to death, but not before the gift of speech was given to the ass, and he told Balaam what he thought of him.

WAVE OF BOLSHEVISM IN MAKING

Democracy has allowed plutocracy to ride it to the brink of ruin. A tidal wave of Bolshevism is in the making. Already it has submerged almost half the Old World and it will soon submerge the rest unless democracy gets rid of the old man of the sea that is on its back. Democracy must not wait, like Balaam's ass, to sing its swan song. It must get rid of the false prophets and high priests who have wrecked the world's stabilized metallic money.

In stabilized metallic money democracy will find the gospel of economic salvation.

An international monetary congress must stabilize the price of 23 grains of fine gold and 276 grains of fine silver at $1. It must also stabilize 4.6 grains of platinum and 9.2 grains of palladium at a parity to 23 grains of gold. Also it must stabilize 2.5 grains of silver alloyed with 57.5 grains of bronze at 1 cent. This accomplished, the world will once more have a supply of stable and perfectly honest money.

Money, like density, momentum, and space, is relatively not matter.

Some may say this reconstruction of the world's monetary system is unnecessary, since paper money is so convenient and so cheap. In a few hours a billion dollars can be printed by a day laborer, but a billion dollars of silver, gold, and platinum costs a billion dollars in wages, supplies, and transport.

When Armageddon comes, paper money will go up in smoke like the Kaiser's billions of bonds and currency, but stabilized metallic money will outlast Bolshevism and will serve a new world and a new civilization when they are born again.

The man who prefers a Bolshevik or Hindoo gold-paper certificate to a stabilized silver rupee or ruble is little better than a fool.

It is time to call a spade a spade, and time to talk out loud and bold and not wait, like Balaam's ass, until it is too late.

Plutocracy, swollen with insolence and pride, and hopelessly blind to the ruin it has wrought, will go on like Balaam to perdition rather than repent and sue to be forgiven.

Like Milton's Satan, its swan song will be, "Better reign in hell than serve in heaven."

In the following table is outlined a stabilized metallic currency for all nations.

Density

Silver	8.5
Gold	19.3
Palladium	12
Platinum	21.45

Valuation

Silver	1
Gold	12
Palladium	30
Platinum	60

Gold currency 23 grains as unit or one gold dollar. Monetary gold is 23 grains of fine gold alloyed with 2 grains of bronze or one dollar.

25 grains of monetary gold	$1
5 grains of monetary gold	1 franc, drachma, or lira
250 grains of monetary gold	$10 or £2
125 grains of monetary gold	$5 or £1
500 grains of monetary gold	$20 or £4

Silver 276 grains fine and 24 grains of silver-bronze alloy also one dollar.

300 grains of sterling silver	$1 or 1 tael
75 grains of sterling silver	25 cents
72 grains of sterling silver	A shilling or mark
60 grains of sterling silver	20 cents, drachma, franc, or lira
150 grains of sterling silver	A ruble, rupee, or yen
180 grains of sterling silver	A half crown

2.5 grains of silver, alloyed with 57.5 grains of bronze, one cent.

60 grains of silver bronze	1 cent
120 grains of silver bronze	2 cents or an English penny
300 grains of silver bronze	5 cents

Platinum

23 grains	$5
230 grains	50
460 grains	100

Palladium

23 grains	2.50
230 grains	25.00
460 grains	50.00

Only $100 platinum and $50 palladium coins should be minted. The platinum money might have the image of a bear to show its Russian origin. The palladium coin might be half-moon currency.

The ruble, rupee, and yen might have the image of a tiger on the reverse side regardless of the nation which issued it. The eagle would naturally be the $20 gold piece. The shilling and mark should be changed to a 25-cent coin, and a harp on the reverse side would be a suitable engraving.

The 20-cent silver coin might have the image of Homer, since the drachma and franc are of Greek origin.

The dollar, tael, and crown should be made equal and have the image of a lion engraven on each.

Gradually all nations would come to know the different coins by the image they bore.

NO DIFFICULTY IN STABILIZATION

A world's monetary conference need have no difficulty in stabilizing metallic money for all nations at the parity given. That accomplished, some six billions of debased bronze, silver, and brass currency would be scrapped and replaced by bronze and silver money equal to its face value.

The replacement money would not increase the silver and bronze currency of the world. It would, however, stabilize its value at six billion dollars, or 60 per cent of the world's stabilized gold money.

In a century the sum of stabilized silver, platinum, and palladium would not equal the stabilized gold currency which will then be in existence.

Thus the stabilization of silver, gold, and platinum money will not increase the metallic money now in the world, although it will stabilize its value and its usefulness.

Stabilized metallic money will drive out of circulation the filthy microbe currency now in use in all countries, but especially in India.

Half-civilized peoples serve for wages paid in real money and not for cigarette-paper currency. The savage will give 12 hours daily service for a beautifully engraved silver-bronze penny.

Engraved metallic money is the advance guard of civilization in lands now far beyond its frontiers.

Hence, stabilized finely engraved bronze, gold, silver, palladium, and platinum is nature's own hand-painted money.

Let it not be forgotten that stabilized bronze currency, worth its face value in gold, is a thousandfold more serviceable to the human race than stabilized gold currency.

Bronze is the common currency of beggars and millionaires, and it is the currency which should be worth its face value in every mart, jungle, desert, and customhouse on earth.

So should every silver coin in circulation. In other words, 100 bronze cent pieces should be accepted from China to Peru as change for one gold dollar. In like manner, 25 silver francs should be the exchange in all nations for the louis d'or, a sovereign, or a 5-dollar gold coin. When that is done gold can be called standard money, but until it is the gold standard is not honest money.

The aim of monetary reformers is not to abolish gold as the standard of value, but to make it standard money. Gold is now as unstable as water, or as a reed shaken by every wind.

But when gold is linked with silver, platinum, and palladium at their relative marginal value, and when that relative marginal value has become an accepted convention or covenant by all civilized countries, the gold standard will cease to be a deceitful superstition and will become perfectly honest money.

Unstabilized gold and credit currency has wrought unparalleled misery and woe, and as certain as night follows day it will destroy the world's civilization unless it is ended, and that soon.

Stabilized bronze, silver, palladium, platinum, and gold, as already stated, are nature's or rather, with all due reverence, "God's own hand-painted money."

Unstabilized gold and unstabilized credit money, on the other hand, is the currency of his Satanic Majesty.

If democracy is to endure it must choose the money which has been so bountifully stored in the world's mines for the use and benefit of mankind, or else its doom is sealed and it will perish with the false prophets and high priests of finance who preferred the worship of mammon to the service of justice and truth.

CANDOR AND COMMON SENSE—ADDRESS BY JOHN BASSETT MOORE

Mr. BORAH. Mr. President, on the 4th of December, 1930, the distinguished international jurist, John Bassett Moore, delivered an address before the Association of the Bar of the City of New York. I ask permission to insert in the RECORD portions of that address. I will indicate to the clerk the portions which I desire to have printed.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

CANDOR AND COMMON SENSE

* * * * * * *

At the present moment, while our gunmen go unpunished, and our Treasury officials are trying to ferret out the amounts of the individual incomes of our capitalistic princes of blackmail, divertingly known as racketeers, strenuous efforts are being made to excite the public on the subject of communism. This certainly is a most interesting development. Many years ago I read a book by Charles Nordhoff, a great Washington newspaper correspondent, on communistic societies in the United States. We have had, in times past, many of them; some have survived, but many have perished. In their disappearance they may, in the language of an old play, be said to have died "unhonored and unhung"; but neither in their appearance nor in their disappearance did they excite our special wonder. As time has gone on our country has grown richer and richer, and the number and proportion of persons having an individual interest and stake in the maintenance of the principle of private property has steadily increased.

Let us take, for illustration, the single business of life insurance. Examining the figures as of December 31, 1929, we find (1) that the total number of holders of life insurance policies in the United States was 67,000,000, (2) that the total amount of life insurance in force, including ordinary, industrial, and group insurance, was $103,146,000,000, and (3) that the total admitted assets of life insurance companies amounted to $17,600,000,000. These assets represented investments in a great diversity of securities, including railway bonds and shares, the bonds and shares of what are generically known as public-utility companies, and mortgages and loans on lands and buildings in the cities as well as in the country. It is manifest that every one of the 67,000,000 policyholders has a stake in the maintenance of the right of private property.

It is also worthy of notice that the total number of farm owners in the United States, as of 1925, was 3,868,000, of whom 3,313,000 were full owners and the rest part owners; and that the total number of homes owned, not on farms, in 1920, as was shown by the census of that year, was 7,041,283.

In 1927 the number of shareholders in our corporations was estimated at 3,300,000, receiving dividends amounting to $4,300,000,000; and, according to recent estimates which are considered trustworthy, there are now between 4,500,000 and 5,000,000 shareholders, and some put the estimate as high as 16,000,000. The number of persons having a proprietary interest in unincorporated businesses must also be enormous.

In view of this wide distribution of direct personal interests in private property, it is no wonder that the United States is to-day reckoned the most "capitalistic" country in the world.

The most striking contrast with this condition of things is found in the attempt now going on in Russia to apply the principle of communism. No one believes less in communism than I do, or has less interest in justifying it in principle or applying it in practice. On the other hand, I am not ambitious to figure among those who ignorantly assume and rabidly declare that either the people of Russia or their political leaders have deliberately adopted the communistic system with the fell and devilish intention of raising themselves upon the ruins of the rest of the world. The lightning is, as far as I know, the only thing that can be said to come to us out of a clear sky, but even the lightning is not wholly self-created.

The Russian mind was not unprepared for communism for the simple reason that under the czarist government, clear down to 1906, the so-called allotment land—that is, the land received by the peasants on the emancipation of 1866 as distinguished from land privately owned—was held either in communal or in family (podvornor) tenure; and the proportion of private owners, including all classes, was exceedingly small. In 1892, out of a total of 11,071,100 owners of land, 10,589,900, or more than 19 out of 20, were peasants farming the so-called allotment land, held, as we have seen, in communal or family tenure as distinguished from private individual ownership. In 1905, according to the census of that year, the situation remained essentially unchanged, the privately owned estates and farms, including those belonging to corporations and institutions, numbering 827,500, while the estimated peasant holdings numbered upward of 12,000,000.

At the end of 1906 Stolypin undertook to abolish the communal and family tenures and to substitute for them private individual ownership. But the authorities state that, on the eve of the revolution of 1917, approximately only one-half of the peasant holdings in European Russia had freed themselves from the previous archaic forms and had adopted more modern methods of agriculture, and that to a very great extent the private individual holdings were not sufficient to cause the owners to be greatly enamored of the new system. My authority for these statements will be found in Russian Agriculture During the War, a volume published this year by the Yale University Press for the Carnegie Endowment for International Peace in its series of works covering the economic phases of the late war.

Let me also commend to those who are inclined to approach all foreign questions in a passionate spirit and to discuss them in terms of denunciation, the reading of the series of illuminating essays Approaches to History, written in a broad and candid spirit by a learned man of Russian lineage, my friend and former colleague, Vladimir G. Simkhovitch, and now in course of publication in the Political Science Quarterly. Like all wide surveys of human history, these essays serve to admonish us of the importance of studying the causes of the conditions with which we are confronted, and endeavoring, as reasonable and honest men, to understand them before we begin furiously to exhort others vicariously to gird on their armor and take up the sword.

In the United States there are, as has already been shown, comparatively few who may be said to have no individual interest in maintaining the system under which we have lived and prospered, and yet there are among us to-day those who are suddenly affrighted by the very mention of the word "communist." I do not share this feeling of alarm, and most certainly do not share it to the extent of believing that it is advisable to make new laws further to curtail freedom of thinking or suppress freedom of speech. I was born in the belief and was taught in my childhood that, in the free exchange of opinions and the calm discussion of issues, the truth would emerge and survive, and I still cherish that faith to-day.

There is, in my opinion, no better way to nourish and diffuse erroneous opinions than to persecute and advertise them; and this conviction was confirmed by a recent incident.

Late in July last I had occasion to spend a night in the city of Poughkeepsie. The air was still and warm and the demeanor of the inhabitants was tranquil. The police, probably feeling the heat, were little in evidence, while plain citizens like myself walked the streets unconscious of the need of protection. In the course of my stroll I refreshed myself at an ice-cream parlor long kept by the makers of a well-known cough drop. The place was crowded, and the occupants evidently were intent upon cooling their bodies rather than their minds.

The next morning, however, there appeared in the excellent local newspaper the announcement that some communists were enjoying a picnic in a neighboring grove, and that they were likely to be honored with the visit of a congressional committee. The local reporters then promptly visited the local district attorney, who had so little imagination as to say that he saw nothing he could do; that he had not been advised of any infraction of law or of anything requiring unusual measures to assure the safety of the community. But the case with the communists was altogether different. Like the indolent colored waiter, who when he heard a brass band "quickly came to life," they rose handsomely to the occasion. It was evident that the picnic had previously been a rather dull affair, so dull, indeed, that the picnickers in their drowsiness had not even bayed the moon with their futile cries; but now, with the prospect of becoming national figures, they suddenly felt that, in the immortal words of the Marseillaise, "the day of glory had arrived." As Longfellow says in his famous lines on Paul Revere's ride, "You know the rest." The country has been temporarily but only tentatively saved, and we must await, perhaps not without misgivings, the possible legislative proposals that may follow.

Having taken as my subject "Candor and Common Sense," I should not live up to my title, or perform what I feel to be a very solemn duty, if I were to refrain from mentioning a question of the first importance, the need of the full and intelligent discussion and understanding of which daily becomes more and more apparent. A year ago the American people were suddenly reminded of the fact that for a long while they had had no diplomatic relations with Russia, a vast country, embracing an immense population, with which our relations were once thought to be

traditionally friendly. The immediate occasion of the jolt was the tender by our Government to the Soviet Government, through a third party, of advice peacefully to settle a controversy with China. When it is difficult to explain an act by ordinary considerations we are accustomed to ascribe it to idealism; but, in the present instance, it was idealism and something more. We had entered into an international agreement commonly called the Kellogg pact, to which the Soviet Government, upon the solicitation of one of our cosigners, had, with our full knowledge and acquiescence, been permitted to adhere. By this act we necessarily recognized the Soviet Government; for, by the hornbooks—the very primers of the kindergartens—of international law and diplomacy, recognition may be implied as well as express, and one of the stock examples of implied recognition is the entrance into conventional relations. But, as we had refused to establish regular diplomatic relations with our cocontractant, we offered our peaceful advice through a third party; but the response we got was such as even peace-loving peoples do not specially relish. It breathed indeed a sense of resentment that we should presume to offer advice, through a third party, to a government to which we refused to speak directly. Our Government and people did not, I believe, congratulate themselves upon the reply, but, at the same time, did not see a way to prolong an interchange of views for which a third party, in view of the turn the matter had taken, might not have been eager to continue to lend its good offices.

On the other hand, we have lately been startled by an impulsive and heated outburst on the part of certain of our own officials over the importation into this country by some of our steel manufacturers of a cargo of Russian manganese and a short sale by the Soviet Government of some wheat on the Chicago Grain Exchange. It was hastily charged that the manganese was mined or delivered by convict labor, and that the wheat was "dumped" on the exchange with a view to depress the price of wheat in the United States market. An investigation promptly established the fact that the outcry was not justified; but language had been used and declarations had been made which necessarily raised the question whether our foreign relations were to be conducted constitutionally by the President and his legal agent, the Secretary of State, or chaotically by the subordinates or heads of other executive departments.

During my early service in the Government of the United States, in the first administration of Grover Cleveland, there was an opinionated comptroller who was disposed to disturb the orderly administrative procedures. Cleveland invited him to a conference; but it had not gone far when the comptroller somewhat curtly remarked, "Mr. President, under the law my opinion is final." President Cleveland quietly replied, "Yes, Mr. Comptroller, I am aware of that; but the law vests in me the power to make and unmake comptrollers." The trouble ended.

A sound and becoming rule regarding utterances by public officials was laid down in an Executive order issued on the outbreak of war between Russia and Japan in 1904, when Theodore Roosevelt was President and John Hay was Secretary of State. In this order, which was addressed to "all officials of the Government, civil, military, and naval," it was declared that, while it was always "unfortunate * * * by speech or conduct to excite anger and resentment toward our Nation in friendly foreign lands," it was pointed out "in a Government employee, whose official position makes him in some sense the representative of the people, the mischief of such actions is greatly increased." The order concludes with these golden words: "A strong and self-confident nation should be peculiarly careful not only of the rights but of the susceptibilities of its neighbors; and nowadays all the nations of the world are neighbors one to the other. Courtesy, moderation, and self-restraint should mark international, no less than private, intercourse." (Executive order, March 10, 1904, For. Rel. 1904, 185; Moore, Digest of International Law, vol. 7, p. 868.)

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Let us now consider for a moment what was and still is, for practically all the world except ourselves, the established rule; or, in other words, the legal principle regarding the recognition of governments. It is clearly enunciated in an instruction which Thomas Jefferson, as Secretary of State, addressed to Gouverneur Morris, our minister to France, on March 12, 1793, in these words:

"We surely can not deny to any nation that right whereon our own Government is founded—that every one may govern itself according to whatever form it pleases—and change these forms at its own will; and that it may transact its business with foreign nations through whatever organ it thinks proper, whether king, convention, assembly, committee, president, or anything else it may choose. The will of the nation is the only thing essential to be regarded."

From that time down to 1913 this was the rule by which our Government was guided. It is true that, while Seward was Secretary of State, there were certain instances in which recognition was withheld because the new government was of revolutionary origin; but this was only a temporary and politic attitude suggested by our own Civil War, and is to be classed with Seward's protests against the recognition by foreign governments of the belligerency of the Confederate States—protests in principle expressly abandoned by the United States in 1869, and not since revived.

But on March 11, 1913, President Wilson, under whom I later had the honor to serve, enunciated, in a public statement called a "Declaration of Policy with regard to Latin America," a novel principle. This statement, incorporated in a circular telegram, was sent the next day by Mr. Bryan, as Secretary of State, to all our diplomatic officers in Latin America; but it had already been spread broadcast through the press. The text was as follows:

DECLARATION OF POLICY WITH REGARD TO LATIN AMERICA

DEPARTMENT OF STATE,
Washington, March 12, 1913.

To the American Diplomatic Officers in Latin America:

In view of questions which are naturally uppermost in the public mind just now, the President issued the following statement to the public, March 11, 1913:

"One of the chief objects of my administration will be to cultivate the friendship and deserve the confidence of our sister Republics of Central and South America, and to promote in every proper and honorable way the interests which are common to the peoples of the two continents. I earnestly desire the most cordial understanding and cooperation between the peoples and leaders of America and, therefore, deem it my duty to make this brief statement.

"Cooperation is possible only when supported at every turn by the orderly processes of just government based upon law, not upon arbitrary or irregular force. We hold, as I am sure all thoughtful leaders of republican government everywhere hold, that just government rests always upon the consent of the governed, and that there can be no freedom without order based upon law and upon the public conscience and approval. We shall look to make these principles the basis of mutual intercourse, respect, and helpfulness between our sister republics and ourselves. We shall lend our influence of every kind to the realization of these principles in fact and practice, knowing that disorder, personal intrigues, and defiance of constitutional rights weaken and discredit government and injure none so much as the people who are unfortunate enough to have their common life and their common affairs so tainted and disturbed. We can have no sympathy with those who seek to seize the power of government to advance their own personal interests or ambition. We are the friends of peace, but we know that there can be no lasting or stable peace in such circumstances. As friends, therefore, we shall prefer those who act in the interest of peace and honor, who protect private rights, and respect the restraints of constitutional provision. Mutual respect seems to us the indispensable foundation of friendship between States, as between individuals.

"The United States has nothing to seek in Central and South America except the lasting interests of the peoples of the two continents, the security of governments intended for the people and for no special group or interest, and the development of personal and trade relationships between the two continents which shall redound to the profit and advantage of both and interfere with the rights and liberties of neither.

"From these principles may be read so much of the future policy of this Government as it is necessary now to forecast, and in the spirit of these principles I may, I hope, be permitted with as much confidence as earnestness to extend to the governments of all the Republics of America the hand of genuine disinterested friendship, and to pledge my own honor and the honor of my colleagues to every enterprise of peace and amity that a fortunate future may disclose."

BRYAN.[1]

This declaration constituted a radical departure from our previous policy and practice, and also from the established practice and policy of all other governments, in the following particulars:

1. In declaring that cooperation with other governments was possible only so far as it was supported by the observance in their own affairs of orderly processes free from the exercise of arbitrary or irregular force.

2. That it was our purpose to make these principles the basis of mutual intercourse, respect, and helpfulness between our sister republics and ourselves.

3. That we should "lend our influence of every kind" to the realization of those principles in fact and in practice by the other governments of the hemisphere.

4. That there could be "no lasting or stable peace" between us and those who sought to seize the power of government "to advance their own personal interests or ambition."

5. That we should "prefer" in our friendships those who acted in the interest of peace and honor and who respected the restraints of constitutional provisions.

It is to be observed that there was no intimation that we should leave it to our sister republics to determine whether they were behaving in an orderly way and respecting the restraints of their constitutions. On the contrary, there was a clear implication that we would determine this question for ourselves; and manifestly this was a logical necessity, as the question whether our own attitude should be friendly could not be left to the determination of others.

As a useful illustration of how this declaration of our superiority might have struck, and in fact did strike, at least some of our sister republics I may mention the circumstance that when I had occasion, as a representative of the United States, to spend several months in 1910 in Buenos Aires, while the great journals of that progressive city published European news, particularly from France, Italy, and Spain, by the column and the page, the most spacious attentions paid to the United States were an account of the attempt to assassinate Mr. Gaynor, then mayor of New York,

[1] Foreign Relations of the United States, 1913, p. 7.

and the story of a scandal involving one of our educational institutions. Well may we invoke the immortal lines of Robert Burns:

Oh wad some power the giftie gie us
To see oursel's as others see us!
It wad frae monie a blunder free us,
And foolish notion.

It is a legal maxim that hard cases make bad law. To those familiar with the conditions then existing it is superfluous to point out that the declaration of March 11, 1913, was inspired by a feeling of repugnance to the newly established government of Huerta in Mexico, which, although installed with formal observance of the provisions of the Mexican constitution, was alleged to have been brought into power by abhorrent acts and manipulation. The application of the new principle to Mexico, then and thereafter, I can not on this occasion undertake to review. I am now concerned only with the more far-reaching consequences of the attempt since made to apply it to all the independent countries of America, and even to extend it to the rest of the world.

Upon its very face it furnishes us with no tangible or consistent rule of action whatever. It makes the question of international relations in each instance altogether problematical, not unlike the meeting of two canines, one of whom, as Burns in his "Twa Dogs" has sagely remarked, may be a mere

"ploughman's collie,
A rhyming, ranting, roaring billie,"

while the other, as his trappings show, may be "the gentleman and scholar." They sniff each other. If nothing specially offensive is detected, they may even wag their tails and briefly play with each other. If, on the contrary, their olfactories are offended, they draw their tails between their legs, growl at each other, and may even fight, although both may show a lack of wisdom in so doing.

Our experience with the innovation has clearly demonstrated its ineffectiveness. It has repeatedly been shown that a frown or scowl on the countenance of the United States is not a cure for revolutions. If it were so, should we to-day have military forces, as indeed we long have had, in Haiti and Nicaragua? Nay more, would the various revolutionary governments in South America, which we have, with an alacrity suggestive of commercial and political competition, lately been hastening to recognize, have come into existence?

But this is not all. Not only does our recent departure keep us in an attitude of intervention in the domestic affairs of other countries but it has indoctrinated our people in the preposterous and mischievous supposition that the recognition of a government implies approval of its constitution, its economic system, its attitude toward religion, and its general course of conduct. Not only is this supposition contrary to elementary principles of international law, which assure to each independent state the right to regulate its domestic affairs, but it is flagrantly at variance with the facts. It is, for instance, inconceivable that the Government of the United States has at any time approved all the governments with which it held diplomatic relations. Even at the lowest ebb of our fortunes I believe we should have resented such an imputation. As I speak I hear, in the words of Ossian, "The voice of the days that are gone; they roll before me with their deeds." I hold in review the motley procession—governments liberal and governments illiberal; governments free and governments unfree; governments honest and governments corrupt; governments pacific and governments even aggressively warlike; empires, monarchies, and oligarchies; despotisms decked out as democracies and tyrannies masquerading as republics—all representative of the motley world in which we live and with which we must do business. Nor are these other peoples always given to admiring us as much as we admire ourselves. Even in the most recent times we can not be unaware that we are often denounced as a nation of money grabbers; that our Uncle Sam is caricatured and spoken of as Uncle Shylock; and I have even seen our people depicted as a herd of swine. Misunderstanding is something of which no nation can have a monopoly, and the perception of this fact should induce us to be circumspect, deliberate, and tolerant, even charitable, in our judgments.

But I will be more specific. The original and correct enunciation of principle by the United States on the subject of recognition, as heretofore quoted, related to the revolution in France. Not long afterwards there arrived at Philadelphia, then the capital of the United States, a new minister from France, Edmond Genêt. Genêt had first landed at Charleston, S. C., and, gurgling with the fermentation of the revolution, had on his way to Philadelphia, made speeches and committed acts, not unauthorized by his government, which were disturbing to the United States and not in harmony with its foreign policy. Nevertheless, the Government of the United States unanimously decided to receive him as minister. Who, one may ask, were the men who then composed the Government of the United States? At the head of the Government was George Washington, to whom we all may bow in reverence as the first and greatest of our Presidents—warrior, statesman, and administrator—who stands before the world as one of its greatest examples of character and the very incarnation of common sense; Thomas Jefferson, author of the Declaration of Independence, masterly in his grasp of principles, distinguished for his broad intelligence, founder of the University of Virginia, and author of the bill of rights; Alexander Hamilton, soldier, statesman, profound lawyer, great administrator, and founder of the financial system of the United States, of whom it was aptly said that he struck the rock of credit and it gushed forth; General Knox, Secretary of War, who served his country with equal ardor and efficiency in peace and in war; and Edmund Randolph, Attorney General, in one of whose opinions we find the first clear enunciation of the legal principle underlying the doctrine of territorial jurisdiction over bays. Having passed through the long and arduous struggle for independence, these men may still have been somewhat lean of body, but their nerves were strong and steady; and I am prepared to pit them against any government we have ever had, no matter how numerous its members may be, for aggregate wisdom, sagacity, and common sense.

When Genêt was received as minister the Reign of Terror in France was in full swing. The government of Louis XVI, our friend in our struggle for independence, had been overthrown and Louis had himself been beheaded; the goddess of reason had been enthroned and the streets echoed with hoarse cries for hanging at the lamp-posts the prelates of the dethroned church; the guillotine had been installed and heads were daily rolling into the basket; the Place de la Concorde was incrimsoned with blood, and the Jacobite government was conducting abroad what Edmund Burke called an anarchic propagandism. In these things there must have been much to offend the sensibilities of our sober rulers at Philadelphia and much to excite their strong disapprobation.

The rule the administration of Washington applied to France it applied in all other cases. They applied it even to the Barbary powers, popularly known, because of their lawless depredations on commerce, as the Barbary pirates, with whom they established diplomatic relations and concluded treaties, one of which, the treaty with Tripoli, declared that, as the Government of the United States was "not in any sense founded on the Christian religion" and had "in itself no character of enmity against the laws, religion, or tranquillity of Musselmen," no pretext arising from religious opinions should ever produce an interruption of the harmony existing between the two countries. With the omission of the introductory recital a similar declaration was inserted by the United States in the treaty with Tripoli of 1805, and in the treaties with Algiers of 1815 and 1816. This was but an enunciation of the principle of religious liberty.

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It seems evident that, if the strange notion that recognition of a government implies approval of it, and, furthermore, that approval carries a pledge or justification of material support against its enemies is to be maintained, the joint resolution of 1922 should be either repealed or substantially amended. The war-making power under the Constitution of the United States is vested not in the President but in the Congress of the United States, and from this it would seem to follow that the war-making power should not be delegated to the President generally and indefinitely over a vast part of the earth's surface, embracing many peoples and many governments.

Yet, another fallacy that has come to prevail is the supposition that recognition and the establishment of diplomatic relations imply the relinquishment of claims. Nothing could be more contrary to the truth, or, when coupled with the Kellogg pact, more nearly approach the limit of human incoherence; for, while the pact declares we will not fight over our differences, they can not be peacefully settled without resort to diplomacy. While international law classes the severance of diplomatic relations among nonamicable methods of procedure, pointedly implying dissatisfaction and protest, it is equally true that the maintenance of such relations does not involve the abandonment of any claim or difference but only keeps open the channel of discussion. As for commercial nonintercourse, those who are acquainted with history know that this has often proved to be a prelude to war, of which, if war actually comes, it is an incident and characteristic.

We sometimes hear the question mooted as to the usefulness of establishing diplomatic and consular relations with this, that, or the other country, be it great or small. As one often and long connected with our Foreign Service, I am not predisposed to spend time in discussing a question which implies that the presence of our diplomatic and consular officers in a foreign country with which we do business or wish to do business is either worthless or worth less than it costs us. I shall be more disposed to discuss this rather foolish question when it is proposed to abolish the service altogether.

Finally, we hear it said that we must preserve our "ideals"; but we show little faith in them when we assume that they can not stand contact or competition with different ideals. Washington and his Cabinet certainly cherished their ideals, but they believed in propagating them in the modest and self-respecting way so well expressed in the Scriptural injunction: "Let your light so shine before men, that they, seeing your good works, may glorify your Father which is in Heaven." We do little to propagate our ideals when we tell those who differ with us that because of this fact we can not speak to them, but must, in the words of Kipling, regard them as "lesser breeds without the law." Moreover, the "idealistic" theory can not be squared with the insistence of nations upon diplomatic intercourse, even at the cannon's mouth. It was not identity of ideals that induced the western powers to compel the nations of the Far East to establish diplomatic relations. In China the necessary force was used first by Great Britain and then by France. In the case of Japan, the cannon were borne as a visiting card by the naval forces of the United States under Commodore Perry.

I will conclude this review of the subject of recognition by quoting from that immortal document, Washington's Farewell Address, these wise and solemn injunctions:

"Observe good faith and justice toward all nations. Cultivate peace and harmony with all * * * The nation which indulges toward another an habitual hatred or an habitual fondness is * * * a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. * * * Harmony, liberal intercourse with all nations are recommended by policy, humanity, and interest."

To these weighty words I will only add the famous apothegm of Jefferson in his first inaugural, "Peace, commerce, and honest friendship with all nations, entangling alliances with none."

To those familiar with diplomatic history and to those who know the story of the dark days through which we passed in the crisis of our own Civil War, it is needless to say that there is no nation, great or small, whose friendship, present or future, is to be reckoned as negligible or to be spurned with contumelious words.

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ATTITUDE OF DEMOCRATS—ARTICLE FROM THE NEW REPUBLIC

Mr. BLEASE. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New Republic of December 17, 1930. I do not care to comment on the article, but I wish to state that I am glad that my friends on this side of the Chamber came over to my position and voted to seat the junior Senator from Pennsylvania [Mr. DAVIS], as I voted to seat Mr. Vare and Mr. Smith, of Illinois.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article is as follows:

WASHINGTON NOTES—THE DEMOCRATS GO CONSERVATIVE—NO COALITION WITH PROGRESSIVES

Perhaps the most interesting development of this session of Congress so far is the turn of the Democrats toward conservatism. I do not mean all of them, because there are individual Members in the Senate who insist upon doing their own thinking and who will follow no leadership. But so far as the majority are concerned, the trend is clear and unmistakable. Also, it is calculated, it is part of a policy, the outcome of "conferences," and not in the least accidental. The fact of the matter is that since the recent election the conviction is pretty generally cherished among leading Democrats here and in New York that if the party makes no big mistakes between now and 1932, and can nominate a candidate who will appeal to the business interests of the country as well as the wet sentiment, its chances of winning are at least even. This is a good deal more than could be said of the Democratic chances in the last three campaigns.

Within the last few weeks several of the literary party aides have, in their carefully prepared pieces planted here and there, stressed the idea—and as I see it, the perfectly sound idea—that it is completely impossible to win without New York. To carry New York the Democratic Party has not only got to be wet, but its platform, ticket, and general disposition must instill confidence rather than distrust in the breasts of the larger industrial and financial leaders, who have heretofore backed the Republican Party with discouraging regularity and unanimity.

This idea has seeped into the minds of most of the more important Democrats here in Washington. It is nursed and encouraged by Mr. Shouse, the modest executive chairman of the national committee, and his even more modest publicity director, assistants, advisers, counselors, and friends, journalistic, financial, and political. I might further add that it is wholly in accord with the feelings and views of those two Democratic angels, Mr. B. M. Baruch and Mr. John J. Raskob. Between them, Mr. Baruch and Mr. Raskob, as the records show, did practically all the financing of the party in the recent campaign. Each of them contributed, in one way and another, considerably more than a hundred thousand dollars. This does not include what each has done toward decreasing and "funding" the deficit left over from the Smith campaign or the underwriting of the committee expenses in Washington, which Mr. Raskob, I am told, has "taken care of" personally.

Naturally, these two gentlemen have considerable influence among party people here in Washington, and it is no secret that they believe that from now on the party should conduct itself in such a way as to "inspire business confidence." In brief, it is striving to create a reputation for safety. To this end word has gone out that there will be no alliances, combinations, coalitions, or partnerships, either during this short session, or during a special session should there be one, or during the first session of the Seventy-second Congress, between Democrats and Progressive Republicans.

The notion now, however, is that the industrial East, where control of the Electoral College is lodged, frowns upon such alliances and that the making of them will mar the prospects of Democratic success. There is no longer any political nourishment to be obtained by identifying the Democratic Party with the liberal side, except so far as prohibition is concerned. On the contrary, the confidence of the business element of the North Atlantic States is the asset it is out to accumulate. That is the way the wise men of the party have argued the thing out, and that undoubtedly is the present policy of the party as demonstrated in the Senate.

One evidence of this was recently given in the refusal of the Democrats to join with the progressives in holding up JAMES J. DAVIS, the newly elected Senator from Pennsylvania, now charged with having benefited by a campaign fund in excess of a million dollars. Regardless of the merits of the really important question of Senate procedure in cases of this sort, the interesting thing is that the Democratic policy toward DAVIS was exactly the reverse of its policy in the Vare and Smith cases. The point I make is that the difference is due to the change in party policy determined upon right after the election, the first indication of which was given in that remarkable "cooperation" statement of the seven so-called Democratic leaders.

It will be interesting to see, as the weeks go by, how far they will go in this policy and how effective it will be. My feeling is that it can not be followed for a very long period or carried to a very great extent, for two simple reasons: First, that it is an unnatural attitude for the minority party to assume; and, second, that although they are "going along" now, a good many Democratic Senators, particularly from the South, are doing so reluctantly. Before the end of the session I think the Democrats in the Senate will inevitably drift back to their position of last session of consistently hammering at Hoover and making common cause with the Progressives against the administration program.

That they will carry this to the point of forcing a special session is, of course, not likely, and on the World Court, curiously enough, the Democratic position is that of Hoover. On most other matters, however, they are bound to disregard this sweet harmony, and "nothing must be done to scare business support away" because it is not natural and not self-respecting, and can't be made to stick.

PROHIBITION AND ITS ENFORCEMENT

Mr. SHEPPARD. Mr. President, I desire to have inserted in the RECORD an excerpt from the Washington Star of the 18th instant, being an Associated Press dispatch from Newark, N. J., in which Thomas A. Edison, in answer to a questionnaire, states that prohibition has helped the industrial and economic life of America and that its enforcement is improving daily.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EDISON SAYS AMENDMENT HAS BEEN HELP TO NATION—INDUSTRIAL AND ECONOMIC LIFE BENEFITED TO GREATER EXTENT THAN REALIZED, WIZARD DECLARES IN QUESTIONNAIRE

NEWARK, N. J., December 18.—Thomas A. Edison expressed the opinion yesterday that prohibition has helped the industrial and economic life of America and that its enforcement is improving daily.

His belief was set forth in answer to a questionnaire submitted to him by Rev. James K. Shields, superintendent of New Jersey Anti-Saloon League.

The six questions and answers:

Q. Do you approve of the eighteenth amendment to the Constitution of the United States? If so, why?—A. Yes. It is a necessary aid to permit practical enforcement of prohibition all over the country.

Q. Has it helped the industrial and economic life of America at home and strengthened the industrial standing of our Nation abroad?—A. Yes; and to a greater extent than realized.

Q. In your judgment are children better fed and clothed and educated since the coming of national prohibition than they were before?—A. In my judgment I would say decidedly, yes. Let me cite my experience as a manufacturer, similar to that of other manufacturers. On pay days before prohibition hundreds of pale-faced women, shabbily dressed, some with faded shawls around their heads, appeared at our factory at West Orange. They were waiting to get some of their husband's money before he got to a saloon. Within a year after the amendment not a single woman appeared. Surely we Americans do not want a return of this state of affairs. Undoubtedly the condition of the mother indicates the condition of the children, although they are perhaps a little better off than she, because she will do anything even to giving up her life to protect them.

Q. What attitude should the womanhood of America hold toward prohibition, and why?—A. Woman is the custodian of the home and the children. She certainly, if a normal woman, does not desire the introduction of narcotics into her home, which in many cases changes a humane man into a brute.

Q. Are the boys and girls of America more likely to develop a higher degree of physical and mental fitness and become in every way better and more useful citizens under national prohibition of the liquor traffic or under the old licensed system or any form of State or Government control?—A. Yes; they certainly can not develop on alcohol and other narcotics.

Q. Should the eighteenth amendment be retained as a blessing to our American homes to-day and to those of future generations?—A. Yes; enforcement is getting more practical day by day. We now attack the large manufacturer right in our midst instead of men with flasks and home brews.

ORDER OF BUSINESS

Mr. COUZENS. I move that the Senate proceed to the consideration of executive business.

Mr. ODDIE. Mr. President, will the Senator yield to me in order that I may make a request?

Mr. COUZENS. I have made a motion.

Mr. ODDIE. But will the Senator withhold his motion for just a moment?

Mr. COUZENS. I will.

Mr. ODDIE. Mr. President, I should like to ask permission to have considered out of order House bill 6603, a bill to provide a shorter work week for postal employees, and for other purposes. I do not think it will lead to any debate.

Mr. SMOOT. Mr. President, if we are going to take up any bill for consideration I want to go on with the consideration of the Interior Department appropriation bill.

Mr. COUZENS. I must object, because we are working under unanimous-consent agreement to proceed to the consideration of executive business.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Under the unanimous-consent agreement the Senate will now proceed to the consideration of executive business.

Mr. MOSES. Just a moment. Of course, under the unanimous-consent agreement conference reports are excepted, and there is one which I should like to call up; but under that unanimous-consent agreement I wish to have a perfect agreement with the Senator from Michigan.

Mr. COUZENS. I yield to the Senator from New Hampshire.

Mr. MOSES. I want to say to the Senator from Michigan that I understand perfectly the parliamentary situation, and conference reports are exempt from any unanimous-consent agreement under which we may be operating. I do not want to embarrass the Senator from Michigan in his desire to have an executive session, because I know the purpose which he has in mind is of very great importance; but I am sure that the conference report which I wish to call up, and which is privileged, under all the circumstances, including even the unanimous-consent agreement, can be disposed of in a very short time.

Mr. COUZENS. I am perfectly willing to withdraw my motion until that has been accomplished; but the Senator from New Hampshire as President pro tempore was in the Chair when I rose.

Mr. MOSES. Yes.

Mr. COUZENS. And I did not know that he would be ready to proceed with the conference report.

Mr. MOSES. The President pro tempore recognized the Senator from Michigan.

Mr. COUZENS. For that reason, I withdraw my motion to enable the Senator from New Hampshire to bring up his conference report.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 14804) making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment, and it was signed by the Vice President.

TREASURY AND POST-OFFICE APPROPRIATIONS

Mr. MOSES. I now ask that the conference report on the Treasury and Post Office appropriation bill may be laid before the Senate.

The Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14246) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes.

(For conference report see Senate proceedings of yesterday, page 1118.)

Mr. MOSES. Mr. President, with reference to the conference report which has already been printed in the RECORD which has been read to the Senate, I wish to call attention to the fact that, while the number of amendments dealt with in the conference report seems to be excessive, as a matter of fact they are very simple because so many of them deal with a single class of subjects. For example, amendments numbered 6 to 27, inclusive, 31 to 41, inclusive, and 45 to 59, inclusive, and amendment numbered 67 all deal with the question of salaries; amendments numbered 64 and 65 have to do with appropriations for the carrying of the air mail; and amendment 68 has to do with leases for garages. While the report shows the two Houses to be in disagreement upon three amendments, amendment numbered 21 and amendment numbered 24 relate to matters which went out under a point of order in the House, and which necessarily have to be carried back to the House, and therefore are not really in disagreement, which leaves amendment numbered 66 in disagreement, and from that at the proper time I shall move to recede.

Before proceeding, Mr. President, to speak of the amendment which might be regarded as controversial, I want to express my complete sympathy with what has been stated by the Senator from Michigan [Mr. COUZENS] regarding conferences. Every time that I sign a conference report in the stated language of the formula, namely, that a "full and free" conference has been held, I know that I am subscribing to a perjury, because the situation is such that we are immediately confronted in a conference by an adamantine attitude on the part of the conferees appointed by the House.

While it is true that the House thinks it has a larger control of the national purse strings than has the Senate, that as a matter of fact is not correct, and I have felt the irksome character of the situation in conferences over and over again. However, so far as the principal items in controversy on this particular bill are concerned, I may say, Mr. President, that the Senate conferees, by one way or another, were able to wrangle out of the House conferees a much better situation than we had thought we could secure when the conference opened.

It is well known, Mr. President, that the administration and the Budget Bureau sent estimates to the Congress providing for the complete fulfillment of the different statutes which have been enacted in recent years with reference to the equalization of salaries and promotions in the Federal service. Those are the enactments known as the Welch bill and the Brookhart bill, the latter enactment having been found to be necessary because of some confusion in the terms of the earlier legislation. The administration and the Budget Bureau, however, determined that, in view of all the circumstances of financial depression in the country, it was not feasible to undertake now to provide for all the step-ups and all the equalization in salaries which the legislation contemplated.

I may say in passing, Mr. President, that that is not a unique situation with reference to legislation of this character. We frequently have provided by statute that a salary shall be such-and-such or that the force of people employed in a given branch of the Government service shall be so-and-so in number, but we do not make appropriations to carry out fully such provisions, and sometimes we make appropriations and the executive departments for some reason or other decline to go forward under them. However, the purpose of the Budget estimate was to divide the entire step-up necessary for the equalization of these salaries into a period of three years and to make the estimate this year for one-third of the sum necessary. The total sum necessary to produce everything contemplated by the Welch Act and the Brookhart Act was $14,500,000, in round numbers, of which estimates came here for $4,500,000. That sum, Mr. President, comprehended the entire Government service. This bill, however, deals only with the governmental force in the Treasury and Post Office Departments, and the fact remains that as against $4,500,000 which the entire Federal service would have received in salary benefits this year, this bill alone carries $2,273,800, divided thus: $836,000 of lapsed funds which are available under ordinary practice for the equalization of salaries. When I say that I must say something about the Wood amendment, so called. The Wood amendment has been stricken out.

If the Wood amendment had remained in the proposed legislation there would have been complete stagnation of all promotions of any character within the Government service. However, having been able to strike that out—that is to say, the House having receded on that proposition—we were enabled to add automatically by that process $836,000 to the salary money available during the next fiscal year.

In addition to that, there are sums of money available in this bill by increases under the Brookhart Act totaling $1,437,800. So, whereas the entire amount would have been in round numbers four million and a half, we still have in this bill alone $2,273,000.

Mr. President, the Senate conferees did not yield plastically, if I may say so, to the conferees on the part of the House. We attempted to glare at them as fiercely as they glared at us. The exchange of language across the table probably was a little more pointed from the Senate side than it was from the House side; but we did find ourselves in exactly the situation that the Senator from Michigan has just described, to wit, we were up against an adamantine attitude on the part of the House conferees, and, inasmuch as I am one of those who believe that legislation has to advance by wise compromise, and being willing at the minute to characterize this action as either wise or unwise; at any rate, we did come to a compromise, so that, instead of getting into the bill $4,464,000, which would have been there if the Senate amendments had all been agreed to, we did get in substantially two-thirds of that amount, and, under all the circumstances, I at least thought that to be a very satisfactory solution of the matter.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Iowa?

Mr. MOSES. Yes.

Mr. BROOKHART. On that proposition I can not understand the "two-thirds" figure. The Senator says there is $4,500,000 if we got it all, and $2,200,000, which we did get, is less than half——

Mr. MOSES. I said "in round numbers," if the Senator will remember.

Mr. BROOKHART. It seems to me those are rather square or triangular numbers, when they work out that way.

Mr. MOSES. Whatever geometric term the Senator wishes to apply to them, I will accept.

Mr. BROOKHART. This conference business seems to be a hold-up game according to the description of the Senator, which I do not doubt is a true description. I should like to ask him if the House committee is looking for an extra session of Congress this spring.

Mr. MOSES. That particular subject did not arise in the conference. The only thing I can say to the Senator about the conference is that the Senate conferees were by no means tongue-tied. They were by no means modest in expressing the opinion of the Senate. They did not lack vigor in making known what the Senate thought of the situation; but having come to what we regarded as a complete impasse, there seemed to be nothing else for us to do, and we thought we had done a fairly good job under all the circumstances in getting the $2,273,000.

Mr. BROOKHART. Is there any reason why this legislation should go through before the holidays? Would it not do just as well before the 4th of March?

Mr. MOSES. Mr. President, there are 11 appropriation bills to come, and this is the first one. If we are going to begin to delay on appropriation bills, and begin with the first one that comes in, of course, that may create a set of circumstances under which we might have to change a lot of plans.

Mr. SMOOT. Mr. President, I want also to suggest to the Senator that there are deficiencies here that are made immediately available, and that ought to be at once enacted into law. Outside of that, of course, they could go over; but that is necessary here in order to take care of some very, very important matters.

Mr. MOSES. I am very much obliged to the Senator from Utah for reminding me of that, because there are some items in the Treasury section of this bill for construction where the sums are made immediately available, where the plans are all ready, and where the work can begin at once.

Mr. SMOOT. Just as soon as this bill passes.

Mr. BROOKHART. How great are those sums? Let us see about them, and see what they look like.

Mr. MOSES. One is for the Coast Guard Academy at New London, concerning which I remember we had a considerable discussion in the committee—$1,640,000 in a single item, Mr. President.

Mr. BROOKHART. What is the total of all the items?

Mr. MOSES. Well, now, wait just a minute. Does the Senator from Iowa wish me to indulge in a lot of arithmetical exercises for his benefit, or will he do them and give me the result?

Mr. BROOKHART. No; I do not care so much about the details as I do about averages and totals. I should like to know something about the total of this amount that is going to be immediately available.

Mr. MOSES. I should say it probably was eight to ten million dollars of items that I immediately can think of.

Mr. SMOOT. I hardly think it is quite that amount, but no matter whether it is five millions or six millions.

Mr. BROOKHART. We are going to reduce the wages of the Government employees $2,300,000.

Mr. SMOOT. No; we are not reducing the wages at all, Mr. President. We are giving increases. This begins in June.

Mr. MOSES. No, no; as a matter of fact we reduce nobody, but we increase them $2,273,000.

Mr. SMOOT. Every employee of the Government will get exactly the same wages that he is getting and has been getting.

Mr. MOSES. Some of them will get more.

Mr. BROOKHART. They would get that just as quickly if this bill were passed in February as now, would they not?

Mr. MOSES. I am not sure about that.

Mr. BROOKHART. I have a strange feeling that we can reduce some of that iron blood down to a more humane mixture if we will wait over until about February to meet these conferees again.

Mr. MOSES. Then, I beg the Senator from Iowa to apply his policy of dilution to the agricultural bill, which comes before a committee of which he is a member.

Mr. BROOKHART. The Senator is mistaken. I am not a member of the Agricultural Committee.

Mr. MOSES. No?

Mr. BROOKHART. No; I am not, I am sorry to say.

Mr. MOSES. Since when?

Mr. BROOKHART. I never was.

Mr. MOSES. Never?

Mr. BROOKHART. Never.

Mr. MOSES. That accounts for the Senator's interest in agriculture, not being a member of the committee dealing with the subject.

Mr. BROOKHART. It was not because I did not try to be a member, but it was because the Senator's rule of this body in favor of certain stand-pat, reactionary ideas did not want a fellow like me on a committee like the Agricultural Committee.

Mr. MOSES. Oh, the Senator's adjectives are dreadful!

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Tennessee?

Mr. MOSES. I had already yielded to the Senator from Iowa. If the Senator from Iowa wishes to get back from agriculture to the Post Office Department, I will meantime yield to the Senator from Tennessee.

Mr. BROOKHART. On that point, I must call attention to the fact that it was the Senator from New Hampshire who got over into the Agricultural Committee, and not myself.

Mr. MOSES. Very well; then I will come back to the post-office bill.

Mr. McKELLAR. Mr. President, what I wanted to ask the Senator—and I have just come into the Chamber—was

this: I see that Senate amendment 69, the last amendment, was agreed to.

Mr. MOSES. Yes.

Mr. McKELLAR. What was the other provision agreed to by the conferees affecting the employees?

Mr. MOSES. Having stricken out the so-called Wood amendment, which absolutely froze all salaries into the sum where they now are, we were able to secure the release of $836,000 from lapsed appropriations.

Mr. McKELLAR. Where is that provision?

Mr. MOSES. That does not show, except in the fact that we have not changed the substantive law as it now is. That is to say, without the Wood amendment it has been possible to use these lapsed appropriations—a process which the Senator from Tennessee will understand—but with the Wood amendment in the bill that could not be done. Having gotten the Wood amendment out, we released $836,000 for use in making promotions. In addition to that, we have literally put into the bill $1,437,800 to provide for increases which are authorized under the Brookhart Act.

Mr. McKELLAR. That is a little over $2,000,000?

Mr. MOSES. Two million two hundred and seventy-three thousand eight hundred dollars.

Mr. McKELLAR. What would have been the effect if we had proceeded under the Brookhart amendment?

Mr. MOSES. The Senator must take the Welch Act also.

Mr. McKELLAR. Yes.

Mr. MOSES. He must take all the step-ups. It would have been $4,464,000.

Mr. McKELLAR. In other words, it cuts the promotions in half.

Mr. MOSES. Yes.

Mr. BROOKHART. Mr. President——

Mr. MOSES. I now yield again to the Senator from Iowa.

Mr. BROOKHART. The Senator said that these new improvements authorized would amount, roughly, to $8,000,000; but the reduction in wages of Federal employees—the Senator will not call it a reduction, but a failure to increase them as they should be increased under the law—amounts to $2,300,000.

Mr. MOSES. No; $1,190,000.

Mr. BROOKHART. Four million five hundred thousand dollars, with $2,200,000 off of that, leaves——

Mr. MOSES. I see that I must correct the Senator's arithmetic; $2,273,800 plus $1,190,380 amounts to $3,464,180 in any school.

Mr. BROOKHART. That is all right, I believe, since the Senator has corrected the figures on his paper; but I do not see the fairness in reducing these appropriations here before a holiday to start some eight millions of improvements that will be started, anyway, when we are going to take over $2,000,000, or about $2,000,000, away from the advances due to the Federal employees under the law.

Mr. MOSES. We are not taking anything away from them. We simply are not giving them what the law would permit us to give them.

Mr. BROOKHART. That is what I said.

Mr. MOSES. The Senator will remember that we have had legislation of this character for many, many years. The Congress would provide for a given office in a given executive department at a given salary, and then the Congress would appropriate a smaller sum for the payment of that salary; and under an amendment which contains the word "hereafter," and thereby made it continuing legislation; an amendment offered by Mr. Randall, of Pennsylvania, many years ago—it was provided that the sum appropriated by Congress should be in full consideration of the services rendered; and that is the law to-day.

Mr. BROOKHART. That law does not prevent these advances being made if later appropriations provide enough money to advance them.

Mr. MOSES. That is quite true; but it does inhibit the setting up of any claim on the part of an officer of the Government.

Mr. BROOKHART. I have not said anything about any claim on the part of an officer.

Mr. MOSES. The Senator came very near to intimating it.

Mr. BROOKHART. I am simply talking about the construction of the law as we intended it when we passed it. I do not like to pass a law with a plain intention and then have all that intention juggled out by some appropriation bill passed to carry out the law.

Mr. MOSES. Neither do I, Mr. President; and I will point the Senator from Iowa to an instance which I think has been more glaring than the one to which he is now referring.

The Railway Mail Service, for instance, which is covered in this bill, is set up upon a given theory of so many miles of service and so many men in the service; and yet we have not had a Postmaster General for 18 years who has lived up to the statute and maintained the service on the basis that Congress designed it to be.

Mr. BROOKHART. That is another evil that I think we will have to look into. I do not think that is any argument against doing our duty in this case.

Mr. MOSES. Mr. President, I am not trying to evade the duty, and as a conferee I did not try to evade the duty.

Mr. BROOKHART. I will say that I would have lots more confidence in the Senator's ability as a conferee if it were over in February than now, before Christmas.

Mr. MOSES. Of course I perceive the drift of the Senator's suggestion, but I can not accede to it.

Mr. KING. Mr. President, has the Senator from Iowa concluded?

Mr. BROOKHART. Yes.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Utah?

Mr. MOSES. Yes.

Mr. KING. May I ask the Senator a question?

Mr. MOSES. Yes, indeed.

Mr. KING. Perhaps it is not relevant at the present time, and should have been asked when the bill was under consideration in the Senate; but having so much confidence in the Senator from New Hampshire, I believe that whatever was contained in the appropriation bill for the post offices must be entirely satisfactory and just.

Mr. MOSES. O Mr. President, I can not accept that responsibility. There are many items in this bill that I do not think are just, and certainly they are not satisfactory to me. We have done the best we could with it.

Mr. KING. On page 61, this language appears:

> For transportation of foreign mails by steamship, aircraft, or otherwise, including the cost of advertising in connection with the award of contracts authorized by the merchant marine act of 1928 (U. S. C., title 46, secs. 861–889; Supp. III, title 46, secs. 886–891x), $36,600,000: *Provided*, That not to exceed $7,345,000 of this sum may be expended for carrying foreign mail by aircraft under contracts which will not create obligations for the fiscal year 1933 in excess of $7,345,000.

I want to ask the Senator if the greater part of that appropriation is not a pure subsidy, and is in excess even of the operating expenses of the ships?

Mr. MOSES. Mr. President, the latter part of that question I can not answer, and I do not think anybody in the Post Office Committee of either House or Senate can answer it.

As to the first part of the question, undeniably a certain portion of this sum is in the nature of a subsidy. I have never sought to conceal my view about that, but inasmuch as the Congress has apparently determined that this is the method in which it will undertake to encourage ocean-borne commerce, I accept it, although for myself I would much rather frankly appropriate money for a subsidy, and call it such.

Mr. KING. Mr. President, will the Senator let me have the floor for a few minutes?

Mr. MOSES. I yield the floor to the Senator.

Mr. KING. Mr. President, I have a letter written me by one of the most distinguished Senators upon the floor, one who has perhaps given more attention to merchant-marine problems than any man in public life. I refer to the senior Senator from Florida [Mr. FLETCHER]. In that letter he directs my attention to an important publication presented by the Senator from Tennessee [Mr. McKELLAR] on June 30,

1930, and printed as a public document. The publication is entitled "The Truth About the Postal Contracts." In the letter to which I referred this appears:

The facts revealed in this Senate document relate to a field with which I am fairly familiar, and the document itself has been carefully examined by me. It is a splendid piece of work, and the author has rendered a fine public service. The abuses not only obviously possible under the present law but which have been actually committed in existing contracts are so flagrant that we should be prompted to review and give consideration to all legislation employing postal contracts as an aid to our merchant marine. I am speaking as a friend of the merchant marine, and it is needless to mention to a colleague that I have been a firm supporter in the Senate for many years of measures in aid of our merchant marine.

When we find, for instance, such contracts on the Atlantic as that with the Munson Line, between New York and Buenos Aires, where the company not only received an initial subsidy of many millions in being sold four magnificent vessels for about one million each, which cost the Government over seven million each to build, and is then given a mail contract which will yield it over $13,000,000, and without any obligation whatever to build a single new vessel in return for this munificent bonus from the Public Treasury, and when we find a still worse illustration—in dollars, though not in principle—on the Pacific in two contracts with the Dollar Steamship Co. for services between the Pacific coast and Manila, P. I., from which that company will reap over $27,000,000, and also without any contract obligation to build any new vessels, you will understand why I consider the matter so important and as calling for prompt action.

Mr. JONES. Mr. President, will the Senator permit me a word there?

Mr. KING. I yield.

Mr. JONES. I think it is fair, in connection with the statement the Senator has just made and read, and which I am not questioning, as far as that is concerned, to state that I am sure the Senator knows that we had quite a controversy over the Dollar contracts and after a long controversy they were approved, and while they were not required under the contract to build new ships, I think I ought to put into the RECORD the fact that they are building two of the finest up-to-date ships to engage in that Pacific trade that we will have.

Mr. KING. But they borrowed the money from the Government at 1½ per cent or less for a period of 20 years.

Mr. McKELLAR. One and one-eighth per cent.

Mr. JONES. They are probably taking the same course others have taken. I am not excusing any of those things, but I am just calling attention to the fact that they are actually building two fine, new, up-to-date ships.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

Mr. KING. I yield.

Mr. McKELLAR. While that is true, that is just a means of getting another subsidy from the Government to pile on that which they already have.

Mr. MOSES. Mr. President, will the Senator from Utah yield to me.

Mr. KING. I yield.

Mr. MOSES. Before the Senator leaves the subject of the ocean mail pay to steamships, I think it wholly pertinent to say that much of the difficulty in which we found ourselves regarding the problems which the Senator from Utah now presents has come from the fact that two different departments of the Government have been dealing with this question. We had the Fleet Corporation and the Shipping Board on the one hand, and the Post Office Department upon the other. The result was that Congress has found itself confronted by mail contracts made in pursuance of the statute, and unless Congress intends to repudiate the acts of executive officers, which are carried forward under statutes supposedly deliberately adopted by Congress, there is no recourse for us except to make these appropriations.

I want to make this suggestion to the Senator from Utah in connection with this matter. There happens to be at the minute in existence in the Committee on Post Offices and Post Roads a subcommittee which is dealing with another branch of postal transportation, and the functions of that subcommittee can be readily enlarged in the Committee on Post Offices and Post Roads so as to take up this other question also. If that were done, I think without question we could then secure a set of facts upon which in another year, when the post-office appropriation bill comes here, we will have a structure of information upon which to base our action.

Mr. McKELLAR rose.

Mr. MOSES. I am glad to see the Senator from Tennessee on his feet as I make that suggestion, because he knows the subcommittee to which I refer; he knows the proposal before the committee upon which that subcommittee is to act; and he, with his great experience in the committee and his knowledge of all these matters of postal transportation, I think will readily see the point of the suggestion which I am making.

Mr. McKELLAR. Mr. President, I want to say to the Senator from New Hampshire, if the Senator from Utah will yield, that I do see the point of that suggestion. I think it is a very wise suggestion, and I hope the Senator will enlarge the motion he has heretofore made, which has already been passed, so as to give the subcommittee jurisdiction over these mail contracts, and all mail contracts, to examine and report to the next session of Congress.

Mr. MOSES. Mr. President, I chance to be chairman of that subcommittee, the Senator from Tennessee is the ranking minority member of the subcommittee, and I have no doubt that he and I can readily agree upon a form of words which will make possible a complete and accurate informative study of this whole subject.

Mr. McKELLAR. I will be very happy to cooperate with the Senator from New Hampshire.

Mr. KING. Mr. President, the work which will be done by that subcommittee, however, does not cover past transactions. It will not invalidate, and can not, perhaps, invalidate, some of the long-term contracts under which subsidies have been and are being paid, far in excess of what would be legitimate subsidies, even though we believed in subsidies and adopted their payment for the purpose of aiding the development of a merchant marine.

Mr. MOSES. That is true, Mr. President, but, of course, the Senator from Utah recognizes that situations like that are constantly arising; and while we may not be ex post facto in what we do, we certainly can close the door against abuses in the future.

Mr. KING. Mr. President, I want to ask the Senator whether this large appropriation of $36,000,000 carried in this bill was investigated by the committee with a view to determining whether the contracts under which subsidies are paid are valid; whether the contracts were in harmony with the spirit of the law, even though perhaps they may have been in most instances in harmony with the technical construction of the law? My information is that some contracts were entered into wherein shipping lines had been established, and where no subsidies were required under the claim that they were necessary in order to build up operating lines.

Mr. MOSES. Mr. President, in answer to that I can say only this: That the whole question of the manner in which these contracts should be made occupied the attention of Congress something like three years ago. I will ask the Senator from Washington whether it was not three years ago?

Mr. JONES. In 1928.

Mr. MOSES. Something like three years ago it occupied a great deal of the time of Congress, and a determination was then reached, since which time all contracts under the legislation have been in uniform words. Therefore we had to take those contracts as conforming to the legislation, and as being in form of words in accordance with the decision of Congress.

Mr. KING. Mr. President, an examination of the contracts reveals the fact. It is claimed by some who are familiar with the matter here that those making the contracts did not sufficiently guard the interests of the public, as a result of which improvident and unfair contracts were entered into, under which huge and indefensible profits have been made by shipping interests. Some of these contracts, it seems, can not be defended; they are one sided and the Government and the taxpayers are the victims.

In examining the document referred to I perceive that there are cases where a legitimate charge would be perhaps

three or four hundred dollars for carrying the mail and the contract calls for several hundred thousand dollars.

Mr. MOSES. That seems a spread that is incredible.

Mr. KING. To illustrate the point: It is shown that the normal rate of compensation to the New York & Cuba Mail Steamship Co. for a certain number of voyages would be $1,360, but the New York & Cuba Mail Steamship Co. received under their contract $242,000. The New York & Cuba Mail Steamship Co. normal rate would be $35; under the contract $224,000 was paid. I will ask leave to put into the RECORD reference to a number of contracts indicated on pages 36 and 37 of this public document.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

THE MAIL IN FACT TRANSPORTED

The following information for the voyages indicated was obtained from the Post Office Department. The term "at normal rates" means the amount which would have been payable for all the voyages at the poundage rates prevailing generally under the International Postal Union. The term "amount in fact paid" is the amount paid under these contracts for the same service of transportation. The difference is the extent the contract compensation exceeds the commercial value of the service as a mere item of transportation:

American Scantic Line (p. 42), compensation for 28 voyages: At normal rates, $2,600; amount in fact paid, $260,000.

American South African Line (p. 42), compensation for 8 voyages: At normal rates, $375; amount in fact paid, $165,000.

American West African Line (p. 43), compensation for 12 voyages: At normal rates, $735; amount in fact paid, $195,000.

Dollar Steamship Line (p. 43), compensation for 15 voyages: At normal rates, $13,500; amount in fact paid, $728,000.

Dollar Steamship Line (p. 44), compensation for 15 voyages: At normal rates, $5,950; amount in fact paid, $650,000.

Eastern Steamship Line (p. 44), compensation for 78 voyages: At normal rates, $1,400; amount in fact paid, $147,000.

Export Steamship Corporation (p. 44), compensation for 66 voyages: At normal rates, $1,770; amount in fact paid, $820,000.

Grace Steamship Co. (p. 45), compensation for 20 voyages: At normal rates, $30,000; under this contract, $390,000.

Lykes Bros.' Steamship Co. (p. 45), compensation for 34 voyages: At normal rates, $165; under this contract, $157,000.

Munson Steamship Line (p. 46), compensation for 20 voyages: At normal rates, $33,200; under this contract, $920,000.

New York & Cuba Mail Steamship Co. (p. 46), compensation for 33 voyages: At normal rates, $35; under this contract, $224,000.

New York & Cuba Mail Steamship Co. (p. 46), compensation for 30 voyages: At normal rates, $1,360; under this contract, $242,000.

Oceanic & Oriental Navigation Co. (p. 47), compensation for 8 voyages: At normal rates, $535; under this contract, $113,000.

Oceanic & Oriental Navigation Co. (p. 47), compensation for 7 voyages: At normal rates, $145; under this contract, $123,000.

Pac-Argentine-Brazil Line (p. 48), compensation for 6 voyages: At normal rates, $3; under this contract, $102,000.

States Steamship Co. (p. 49), compensation for 14 voyages: At normal rates, $145; under this contract, $230,000.

States Steamship Co. (p. 49), compensation for 8 voyages: At normal rates, $133; under this contract, $122,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. McKELLAR. Of course those are subsidies, and, as everybody knows, under the law which has been passed, subsidies to which I never agreed and do not agree now, but they were subsidies nevertheless. In that connection I want to ask the Senator from New Hampshire, if I may in the time of the Senator from Utah, whether he can give any estimate as to about how much these subsidies paid by the Post Office Department amount to. The purpose of the question is this: As the Senator knows, there was a very large deficit in the Post Office Department for the last two or three years, perhaps for several years. How much of that deficit is due to the subsidies granted to the steamship and aircraft carriers, just in a general way?

Mr. MOSES. Mr. President, I can not answer that in terms of dollars, and even at the risk of stimulating the Senator from Utah to another line of inquiry, I can only recall to the Senator from Tennessee an episode which took place as the conferees were discussing the items in this bill, when the allegation was made and pretty well supported by some of the House conferees, that at least 70 per cent of one item of appropriation in this bill constituted a subsidy.

The Senator from Tennessee will forgive me if I try to state his position; he and I, who had been actively cooperating at the beginning of the appropriation for air-mail service, took the position that we had to encourage the aircraft industry.

Whether the percentage of encouragement under these appropriations for the ocean-borne mail is too great or not I do not know. But I am firmly convinced that the Congress ought to have the information, and I hope that in view of the ready acquiescence which the Senator from Tennessee has indicated in the suggestion which I advanced a few minutes ago, we may have that information before another Post Office Department appropriation bill comes here.

Mr. McKELLAR. Mr. President, my recollection is, if the Senator will permit me, that we fixed a limit for the Postmaster General in fixing a rate both as to air mail and as to steamship companies, and that he has given a limit in making the contract.

Mr. MOSES. That is my recollection.

Mr. KING. Mr. President, I have an engagement and am compelled to now leave the Chamber. There are further points I should like to discuss, but can not do so at this time. I ask permission to insert in the RECORD as a part of my remarks excerpts from page 3 of this public document (No. 210) entitled "Monopoly in Bidding," and from pages 8, 9, and 10, under the heading "Subsidies very Excessive."

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

II. MONOPOLY IN BIDDING

COMPETITION WAS EXCLUDED, INTENTIONALLY EXCLUDED, BY SPECIFICATIONS, COMPLIANCE WITH WHICH WAS POSSIBLE BY ONE PERSON ONLY

The monopoly in bidding resulted, primarily, from the certifications made by the Shipping Board relative to kind, size, and speed of vessels "required" for the postal route involved. The exclusion of all bids other than the preferred line was perfected by two limitations imposed by the Postmaster General, viz: (a) The short time allowed within which to present a bid and (b) the very early date by which the operation of the service was required to commence.

Under section 403 the Postmaster General is required, before he invites bids for the proposed ocean route, to ascertain from the board—

"* * * the type, size, speed, and other characteristics of the vessels which should be employed on each such route; the frequency and regularity of their sailings; and all other facts which bear upon the capacity of the vessels to meet the requirements of the service proposed by the Postmaster General."

The text of this mandate clearly intends that, prior to the certification being made by the board, a careful investigation should be made of the trade route involved, both with reference to the competition by foreign vessels there to be met and to the commercial needs of the route irrespective of such competition.

Even if there was no foreign-vessel competition on the particular route, important inquiries remained desirable to determine the adequacy, efficiency, and rate factors required to promote American commerce by that route in its competition with the transportation of similar commerce between other countries and the same point.

The transportation problem is greater than securing to American vessels the transportation of the commerce, in fact, enjoyed by the United States; it has an important part in the increase and extension of that commerce. To illustrate: Importers of copra from the Philippine Islands, through our Atlantic ports, have been unable at times to secure cargo space, with the result that imports normally belonging to the United States for processing, etc., have not only moved in foreign vessels, but to foreign countries, there to be processed and exported.

Now, the investigation of these matters is not reposed in the Post Office Department; it rests on the Shipping Board as a necessary preliminary to the certification it is required to make.

Instead of having an investigation made, the board in most instances simply ascertained the vessels and the number of voyages a favored line was operating and made its certification to conform to the service maintained by the fortunate line. To illustrate:

The board was asked by the Postmaster General to certify appropriate vessels on the route from New York to Mediterranean ports. Having confirmed that the service then and there operated by the Export Steamship Co. was with 10-knot vessels of about 4,000 gross tons, and that it had a sufficient fleet to make 84 voyages per annum, its certification conformed to these facts, and that line was the only and the successful bidder, and at maximum rates.

Had ample time been given other bids would have at least been possible; but it was not, for the Postmaster General required, first, that bids must be submitted within 30 days—a time wholly insufficient for new interests to survey the field and determine whether a bid by them would be justified; and, second, had other persons decided to bid provided time was given to acquire equip-

ment, adequate time was not given; it was required that operation should commence within 30 days of the award of the contract, and no one but the then operator could meet this condition.

The undertaking by new interests would have involved not only the acquisition (possibly by new construction) of at least 18 vessels, but also securing terminal facilities at many foreign ports, and also other important commercial and financial arrangements.

While the text of the law, if intended as a subsidy, is in many respects defective, its provisions made wholly unnecessary the undue speed attending the award of these contracts; for instance: The law provided (sec. 414f) as much as 12 months from June 30, 1928, through which investigations could have been made, wise procedure developed, and reasonable time given prospective bidders to examine and consider the matter, within a reasonable time limit for bidding.

The commencement of operations under the contract could also have been fixed to allow prospective bidders time within which to secure necessary equipment, etc., with which to perform. The text reads (sec. 403), "Performance under any such contract shall begin not more than three years after the contract is let * * *," a provision clearly contemplating that an award may be made to a company which may have to build new vessels for performance.

The following is a sample of what in fact was done: The act was approved May 22, 1928. On May 24, two days later, the Post Office Department immediately adopted a group of routes for certification; they were in fact routes which had been previously recommended by the board. On May 29 the board certified the vessels' requirements, in the manner and on the basis we have described.

The advertisements inviting bids were then immediately inserted, viz, on June 9, 1930; they required bids to be presented by July 9, 1930, or within less than 30 days from the first appearance of the publication. More serious than these, however, was the requirement that performance of the contract should commence on August 1, 1930.

This speed seems to have been unjustified from every point of view. Prompt movement of the mails was not involved, not only because the new act provided for the extension of the existing contracts for a term not exceeding one additional year, but also because, if such contracts were not extended, the steamship services were there and in the absence of any contract, their legal obligations to convey the mails was definite and certain—at the poundage rates.

Such a system is not only prejudicial to the Treasury of the United States and the rights of other citizens, it is prejudicial also to the development of our merchant marine, as illustrated in the contract awarded.

* * * * * * *

IV. Subsidies Very Excessive

THE SUBSIDIES GREATLY EXCEED THE HANDICAP OF AMERICAN VESSELS IN FOREIGN TRADE; THEY GREATLY EXCEED ALSO THE OPERATING DEFICITS OF THE SUBSIDIZED LINES

A ship subsidy is an extension of the protective tariff system; it is justified by similar economic conditions, and legal requirements relative to the operation of vessels further augment the handicap.

Among the normal economic items are the facts that it costs much more to build a vessel in the United States than in foreign yards; also, the wages paid the crew are higher. The legal handicap mentioned results from our seamen's laws. As a result, the cost of operating a vessel under the American flag is greater than operating a similar vessel under foreign flag.

We refer to these differences in the aggregate as the "handicap" of American vessels when in competition with foreign vessels. A subsidy, therefore, should not be awarded vessels operating in coastwise trade, including, of course, our intercoastal trade, as foreign vessels are not permitted by law to operate on those routes.

The most ardent advocate of a ship subsidy would not expect the enactment of a law which would yield to any vessel or line a subsidy greater than the sum of these items: (a) The operating deficits; (b) a proper annual deduction for depreciation in value of the vessel; (c) reasonable interest or dividend on the money invested. When the "compensation" is greater than these the excess is not a subsidy in a normal sense; it is a gift from the Public Treasury.

It may be challenged whether all the factors we have mentioned above should be recognized, unless qualified by a proviso that the operating deficit, if any, must not exceed the amount it would be under efficient and economical operation. To illustrate:

A deficit resulting in part from the payment of $100,000 annual salary to the president, as has been done by the Export Steamship Co., obviously does not deserve recognition nor can it be justified by the depletion of revenues to the profit of a subsidiary corporation, as also done by that company, to the extent of $250,000 in a single year, when such "profits" certainly might (and we think, certain should) have been retained by the parent company, as a reduction of its costs of operations. The profits accrued to the subsidiary mainly, if not solely, from the activities of the parent company. More extended references to this line will be found at page 24.

Among the contracts which have been made are a number which yield "compensation" greatly in excess of either of the subsidy tests mentioned. They exceed not only the competitive handicap but also the amount of the deficits actually sustained, as shown by the company's own statements, respectively. To illustrate:

THE GRACE STEAMSHIP CO.

The contract awarded this company, dated July 13, 1928, is for 10 years and provides for 26 voyages on the route from New York to the west coast of South America. The initial service required by the contract is substantially the same service the company has maintained for many years. The "compensation" exceeds $645,000 annually.

On the basis of its own financial statements the Grace Line is not entitled to the subsidy it has obtained. It is, of course, entitled to reasonable compensation for the transportation of mails in fact carried by any of its vessels; it is entitled to pay on that basis irrespective of its total earnings or its wealth. When this test is abandoned and a subsidy is proposed, the operating deficits or earnings of the line involved become an important factor.

An examination of its financial statements reveals that its operating income for 1927 not only exceeded operating expenses, but yielded also a substantial dividend. These statements are based on strictly business computations. The amount labeled "earnings" is the amount remaining, not only when "out of pocket" voyage expenses are deducted, but when there have been also deducted administrative expenses, also insurance, and also a proper percentage for depreciation.

Now a deduction for "depreciation" is an amortizing of capital investment. In other words, the statement shows that the earnings were large enough, not only to pay all expenses and yield substantial dividends, but also to yield funds for replacements on a scale proportionally sufficient to meet the cost of new vessels when the present vessels are scrapped. The following is based on the statements referred to:

Financial items of the Grace Steamship Co., 1927

Gross revenues incident to operations	$5,019,000
Total expenses incident to operations	3,950,000
Net revenues (excluding depreciation)	1,069,000
Depreciation: Deduct for depreciation on vessels involved; this deduction being the equivalent of amortization or replacement	[1] 449,000
Net profits, incident to the operation of 4 vessels whose book value was less than $3,000,000	620,000

The fact the agreement is in form a contract for the transportation of mails does not change the basic fact that it is a subsidy. The Grace Line was not dependent on Government aid to assure maintenance of the service, and yet it has a subsidy exceeding $24,000 for each outward voyage, even with the vessels it is now operating, not one of which was built because of this contract having been awarded. As a minimum of 26 voyages per year is authorized, the compensation aggregates and exceeds $600,000 per annum.

That such compensation is excessive, for the mere transportation of mail, is revealed by the fact that from August 1, 1928 (the date the terms of the contract commenced), to September 30, 1929, a period of 14 months, the total mail transported on the outward voyage involved, was as follows:

	Letters	Prints	Parcel post
	Pounds	*Pounds*	*Pounds*
United States mails	106,750	929,718	730,070
Foreign mails	39,191	760,430	5,252
Total	145,941	1,690,148	735,322

[1] This amount is the company's computation and is in fact excessive.

The compensation fixed by the International Postal Union is less than 27 cents per pound for letters, and less than 4 cents per pound for prints and parcel post, hence the strictly commercial value of the compensation, tested by the amount which would have been paid a foreign vessel, is less than $137,000.

Our law, however, quite apart from this 1928 act, authorizes a higher payment per pound to American vessels. It authorizes 80 cents per pound for letters and 8 cents per pound for prints and parcel post; which rates themselves are subsidizing rates, because greatly in excess of the strictly commercial value of the transportation; but even on this basis, for the United States mails, the total amount earned for all mails carried, would have been less than $260,000. The total amount, in fact, received under the contract, for the sailings involved, was $763,000, hence that part of the $763,000, which thus constitutes a subsidy, is more than $625,000, for the brief period of 14 months.

When the beneficiary is earning good dividends without Government aid, obviously the subvention is unnecessary, even when subventions, in proper cases, are authorized by law. The figures cited demonstrate that the Grace Steamship Co. was not entitled to a subsidy for this route, certainly not so large a subsidy as the one granted, if any. It secured this unusually lucrative contract under circumstances substantially as follows: An advertisement of the postal route was inserted, the terms of which were such that one, and only one, company could comply, viz, the Grace Steamship Co. Knowing this, a bid was presented by that company naming the maximum compensation the law authorizes for the class of vessels involved. The Post Office Department then apparently reasoned: The route has been advertised; a bid has been received; it is the lowest bid; let the "contract" be awarded! The

fact that it was the only bid, and the bidder knew with practical certainty, in advance of the bid, that it would be the only bid; the fact that it was for the maximum authorized by law, and for an amount greatly in excess of reasonable compensation for the act of transportation rendered; and the fact that, even from the viewpoint of a subsidy, the earnings were so large that such Government aid was unnecessary to assure its maintenance, all appear to have been regarded as uncontrolling.

The award of maximum rates, under the circumstances mentioned, can not be upheld merely by the fact that the law mentions such rates; they are mentioned only as the maximum; it does not intend and the law will not permit the Government to be cornered, merely because bids are invited, and there is but one bid! A bid based on specifications with which only one person can comply, is not a competitive bid. The bidder, under such circumstances, is not the "lowest bidder." To award the contract to such a bidder, under such circumstances, at the highest rate of compensation possible, and without applying either the test of reasonable compensation or the test of the financial necessities of the service, presents a seemingly incredible situation; yet, a document has been signed, purporting thus to bind the Government for a period of 10 years. Through that period, should the contract be continued that long, there will be paid to the company more than $7,000,000.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KING. I yield the floor.

Mr. VANDENBERG. Before the Senator yields the floor I should like to invite his attention to one other phase of the subsidy question before we leave it. The subsidy to which he refers may be a matter of argument, but there can be no argument regarding the intention of Congress originally or now that the shipbuilding loans should not cost the Government money. It certainly was the intention of Congress that the credit of the Government should be loaned without profit or loss under the Jones-White Act, but due to the cheapness of public money on short-time loans at the present time we are loaning at as low as 1⅞ per cent interest for a period of 20 years. We are loaning public money which, if history teaches us anything, will cost the Government 3½ per cent average during that period.

Mr. KING. I hope the Senator's bill will be speedily passed.

Mr. VANDENBERG. I invite the Senator's attention further to the fact, as proving the necessity for Senate action, that there are three loans now pending before the Shipping Board which total $18,000,000. Unless the pending bill (Calendar No. 520) is passed, and passed with reasonable promptness, the Government in the course of the next 20 years will probably lose $5,600,000 upon these three loans, to say nothing of many others. The legislation tending to correct that matter needs only the consent of the Senate in the next calendar hour to pass it.

Mr. KING. I shall be very glad to join the Senator in asking to have it passed.

Mr. FLETCHER. Mr. President, I certainly hope the Senate will take up the bill to which the Senator from Michigan has referred and act upon it promptly. It was not the intention, when the legislation under which they are now proceeding—the act of 1928—was enacted, that the Government should be called upon to suffer any loss. The bill to which the Senator from Michigan refers proposed to correct that situation, so as to let the shipbuilders have the funds at practically what those funds cost the Government, but without any loss to the Government. I certainly hope the bill will pass.

On the question of subsidies and aid to shipping, let me say that it is a very important matter. At some other time I may take occasion to go into it in extenso. At present I shall not delay the action promised immediately on the conference report by any lengthy discussion of the subject. I want to invite attention, however, to certain features of the situation.

I do not entirely agree with the conclusions of Mr. Nicolson regarding subsidies. I have opposed direct subsidies. When the act of 1928 was passed I did not understand that we were providing for a real subsidy, a subsidy whereby private individuals operating ships anywhere, tramps and otherwise, would be entitled to come in and get money from the Government. It was represented, when we had the hearings on that bill, that to a very large extent the increase in postage and the other credits to this fund would probably equal about what we were paying for carrying the ocean mail, and that the Government very likely would not be out of pocket at all. Of course, it was an estimate. It was felt that with the increase in mails and otherwise the revenue derived would probably equal about what we were paying for carrying the mails. That was the supposition at the time. But evidently thus far that condition has not been reached, if it ever will be. The fact is, I think, it is going the other way. The first appropriation for ocean mail carrying provided something like $18,000,000. Now in two years we have reached $36,000,000, and it may be that next year there will be even an increase over that amount, which is alarming.

Senate Document No. 210, to which attention has been invited, contains many of the facts about which I knew; in fact, I called attention to some of them in the Senate heretofore and to some of the sacrifice sales that have been made. I protested, but my protest did not attract much consideration or apparently do much good. This document gives additional information upon the subject, and I regard it as very important information which the Senate ought to have. It is a most enlightening document and gives facts which I have no right to question from a gentleman who was formerly director of several bureaus of the United States Shipping Board, charged with promotional work in aid of private lines, and who likewise was counsel to the committee on legislation of the Shipping Board. He is in a position to know the circumstances of the transactions and the facts which have not been heretofore available to us. The facts stated in this document would appear almost ex cathedra. I do not mean they were concealed, but I mean they were not before us.

I felt that this is a document which ought to be brought to the attention of the Senate because, in the first place, while I do not favor his conclusions as to subsidies and am not in favor of direct subsidies, and never have been, yet I believe he is correct in the claim that unless we change or modify the existing law under which the practices which he mentioned have been indulged in, we will be obliged eventually to repeal the present law, because the country will not stand for the kind of dealing which is pictured in the document.

We can not afford to indorse the discriminations, the terrible expense, the piling up of expenditures, and so forth, in connection with the transactions which are set forth. Ultimately we must repeal that law, or modify, or change it in some way so as to correct the outrageous conditions that are set forth in the document. We ought not to endure it ourselves and the country itself would be shocked, I am sure, if it understood just what has been taking place. I protested against giving away the ships. I maintained that it was an effort to get the Government away from private enterprise entirely, and from shipping operations or ship construction or anything of that sort, and to get the whole thing into private hands. In doing this the Shipping Board and the administration, I might say, general have emphasized the provision made in the first section of the act of 1920, that the purpose ultimately would be to have the ships pass to private hands, instead of the provision of it that the purpose was to establish and maintain an adequate American merchant marine. That was the object, the primary object of Congress in all we have done. It was not the purpose to get the ships out of the Government and into private hands, and make their operation a matter entirely a private enterprise primarily, and regardless of all consequences. That is a secondary consideration. But the administration and the Shipping Board, it seems, since 1920, or at least very soon after that time, have set about disposing of the ships, apparently determined to get rid of them, because they sold some of the ships to the Dollar Line and other lines at about 10 per cent of what they originally cost. I protested that sale; I protested against that policy; and now comes this document which gives more details and more information on the subject which I think every Senator ought to consider very seriously with the view, not so much perhaps of preventing the carrying out of contracts already

made or failing to provide for the carrying out of those contracts, but to have the making of contracts of that kind cease and to provide a different plan for taking care of the American merchant marine than that which has been pursued under the act of 1928.

The act of 1928, however, it will be borne in mind, provides for pay on a mileage basis for carrying the mails, so much for a certain type of ships, so much for another certain type of ships, and so on—seven different types as I recall—and provides that the rates shall not exceed the rates named in the act, leaving it to the Postmaster General and the Shipping Board to determine, first, what was in the mind of Congress, which was that this aid to American ships engaged in foreign trade should be comparable to the difference between the cost of operating ships under foreign flags and the cost under our flag, and taking into consideration that the cost of building ships in American yards is considerably greater than if built in foreign yards. It was to neutralize that handicap that the aid was intended for American shipping.

But they have let contracts without any regard to taking care of that handicap to American ships. They have let the contracts for the very highest rates provided in the law. They have simply accepted the maximum rates for all the contracts. When we said they should not exceed, for instance, $1.50, they have always made the rate $1.50, and so on through.

I think it has been largely a question of administration thus far. The administration is making it very costly. In the first place, they sell the ships at a tremendous sacrifice. There is an aid at once in the very beginning to the ship buyer. In the next place, they give the ocean mail contracts at the maximum rates without investigating or considering whether the rates would not be reasonable at less than those named in the act as maximum rates. In that way it has proven a very expensive proposition for the Government. We must some time, and as soon as possible, enact a law which will set forth the purpose of Congress in the act, so that there can not be transactions of this kind always at the expense of the Government.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Tennessee?

Mr. FLETCHER. I do.

Mr. McKELLAR. In addition to the benefits enumerated by the Senator from Florida, there is another benefit that is almost if not quite as great, and that is the Government furnishes the money with which to build new ships at a very small rate of interest—something like 1⅛ per cent.

Mr. FLETCHER. Precisely; and that is one of the things we are going to try to correct very shortly. It is undoubtedly true that we have done a great deal in the law; we have gone the limit in assisting the American shipping interests; and in the administration of the law we have gone, I think, far beyond what was contemplated.

Mr. President, I do not know exactly what the Senator from Utah had inserted in the RECORD from this document, and I do not care to duplicate what he may have inserted, but I should like to have printed in the RECORD Title V, Vessels Subsidized Twice, which is found on page 25 of the print I have, the language of which is the same as that in the official document.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

V. VESSELS SUBSIDIZED TWICE

A DOUBLE SUBSIDY IS RECEIVED BY THOSE LINES WHICH WERE PURCHASED FROM THE BOARD, AND THEN AWARDED A "POSTAL CONTRACT"

Certain favored lines not only enjoy a subsidy under the new law, which, in some instances, is itself excessive and unjustified, even if the only subsidy granted the vessels, but an earlier subsidy is also enjoyed by the lines purchased from the board. This double subsidy results as follows:

The sales prices of the lines sold were on a level far below their normal, conservative market value; this concession having been made solely as a subsidy, to promote the use of the vessels in foreign trade; the difference in price offsetting their handicap, as American vessels, when in competition with foreign vessels, and the concession was regarded as adequate for that purpose. However, when the subsidizing postal contracts were awarded the vessels became the beneficiaries of two separate subsidies.

The present law, if treated as a subsidy, must have regarded the maximum rates named in it as ample, if not more than ample, to cover the handicap involved; otherwise, as a subsidy, the plan would have been abortive. When such "contracts" were awarded lines previously sold by the board the "compensation" or subsidy granted should have been coordinated with the value of the earlier subsidy granted in the form of the low sales price, so that the sum of the two would at most not have exceeded the maximum rate named in the law. There was no such coordination. In awarding the second subsidy the maximum rates were awarded precisely as if the contractor was burdened with the capital charge of brand-new vessels.

In such cases, therefore, the Government, in large measure, has paid and is continuing to pay the same bill twice. This is true of practically all subsidies awarded to purchasers of lines from the board; the extent of such concessions varied somewhat, depending on the trade route involved and the competition between bidders for the purchase of the line. An illustration of the extent of the concession is reflected in the sale to and the "postal contract" with the Munson Steamship Line.

We will first present facts relating to the postal contract, and then data relating to the purchase price of the line in the sale to it by the United States Shipping Board.

Subsidy in the postal contract

The contract awarded this company, dated July 13, 1928, is for 10 years and provides for 26 voyages on the route from New York to Buenos Aires, Argentine Republic, with stops at Rio de Janeiro, Brazil, and Montevideo, Uruguay. The service required by the contract is substantially the same as that maintained by the company when the contract was awarded and which it has "guaranteed" to maintain in return for the low sales price of the vessels.

The "compensation" under the postal contract exceeds $1,300,000 annually, and will therefore exceed in the aggregate $13,000,000. In return for this great subsidy, the Munsons are not obligated to increase the American merchant marine by building even one new vessel; nor is it required even to replace its present vessels, by which the service is performed. The contract will therefore result in a net loss to our merchant marine—not merely in money but in ships.

When this contract was made the four vessels involved were substantial assets to the American merchant marine—commercially as potential naval auxiliaries; they then had 12 more of the usual 20 years allotted for efficient service by a vessel.

Provision should, of course, have been made for their replacement, at least, during the term of the contract. However, even had this been required, the subsidy would still have been very excessive.

Not only will the net loss result from the age of the vessels, even if current repairs are faithfully made, but long before then they will probably have become obsolete for competition in foreign trade, so rapid has been the movement in recent years for new types of vessels, both in speed, capacity, and general efficiency, especially in the development of Diesel engines.

The explanation given a committee of Congress (see "Hearing," H. R. 8715, p. 97) by the chairman of the Shipping Board for the omission of new vessel requirements from this contract is as follows:

"We did not require it * * * because they were practically new boats, and you could build in the next 10 years just as well as now.

This explanation is not convincing. The point is: Not only is the subsidy excessive even had new construction been required, but that at no time, either now or "in the next 10 years" or at any other time, are the Munsons required to build new vessels in return for the multimillions to be received from the Federal Treasury.

If the construction of new vessels had been required, with the privilege to the contractor of building them any time during the life of the contract, and the question had been why they were not required to be built at once, the chairman's "explanation" would be relevant, viz, that they were not required at once, and therefore "you could build in the next 10 years just as well as now."

In the same paragraph containing this "explanation," the chairman had made it clear to the committee that the contract had no requirement whatever "for replacements or new construction"; hence there was no confusion of facts. The relevancy of the comment quoted is not apparent, notwithstanding it was made with a finality as if it should silence all criticism of the failure to require new vessels. We are reluctant to assume that the comment was intended to persuade the committee that although the beneficiary of the Government was not required to build the physical fact remained the vessels could be built—by somebody.

This possible interpretation would not be mentioned, but for the fact that many of the contracts reflect such an attitude. There has been unjustified zeal to give the favored lines the maximum possible under the law and to require only a minimum of return either in services, new construction, or otherwise.

Mr. FLETCHER. I next desire to have inserted the matter under the headline "Subsidy in the Sales Price," which is found in this document on page 29, down to the bottom of page 30.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SUBSIDY IN THE SALES PRICE

The Munson Steamship Line, known also as the Pan America, purchased these vessels from the Shipping Board in November, 1925. The vessels were built in 1921–22.

The prices at which sold to Munson, and their respective costs of construction, were as follows:

Name of vessel	Purchase price	Cost to build
S. S. Pan America	$1,026,000	$5,682,174
S. S. Western World	1,026,000	4,983,161
S. S. American Legion	1,026,000	7,160,088
S. S. Southern Cross	1,026,000	7,163,632
Totals	4,104,000	24,989,055

As the vessels were built by the United States, the above statements of their cost does not include any interest accumulating during their construction, although such interest is a well-recognized factor in computing the cost of a vessel. But even with interest ignored we find the cost of these vessels to have been substantially $25,000,000.

The total purchase price for the four vessels was only $4,104,000. The sales price, or, rather, the price at which the vessels were sold to Munson, was thus more than $20,000,000 less than their cost; that is, it was only about one-sixth of their cost!

The cost of construction is not a final test of their market value in 1925. There must be deducted the usual annual allowance (5 per cent) for depreciation, but this would not exceed, say, $5,000,000 for the whole time to date of sale. These vessels are high-grade, combined passenger and cargo steamships, each of 13,700 tons, gross, with speed of 16½ knots. With liberal concessions for depreciation in market value, the sales price was not nearly one-half of their normal market value.

The price concession therefore, made solely to enable the buyer to operate the vessels in foreign trade, substantially exceeded $1,000,000 per vessel, or a total sales-price subsidy exceeding $4,000,000. If the same ratio is applied to these vessels which is applied in the contract of sale to the vessels of the Export Steamship Co., the sales-price subsidy in the Munson sales will exceed $8,000,000.

Mr. FLETCHER. The next extract from this document I desire printed in the RECORD begins on page 33, under the headline "List of Sales Price Concessions," and goes down to the bottom of page 35.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

LIST OF SALES-PRICE CONCESSIONS

Subject to the same general comment elsewhere submitted (p. 56) concerning the relation of sales price to cost of construction, the following list, relating to lines sold by the board since January 1, 1925, shows the sales price and the cost to the United States of building the vessels:

1. Admiral Oriental Line (year of sale, 1926): Number of vessels, 5; total sales price, $4,500,000; cost to build, $31,939,000; cost exceeded sales price by $27,439,000.

2. American Scantic Line (year of sale, 1927): Number of vessels, 10; total sales price, $572,670; cost to build, $16,960,000; cost exceeded sales price by $16,387,330.

3. American South African Line (year of sale, 1926): Number of vessels, 5; total sales price, $777,900; cost to build, $9,297,000; cost exceeded sales price by $8,519,100.

4. American West African Line (year of sale, 1928): Number of vessels, 10; total sales price, $2,261,240; cost to build, $18,123,000; cost exceeded sales price by $15,861,760.

5. Dollar Steamship Line (year sold, 1925): Number of vessels, 5; total sales price, $5,625,000; cost to build, $32,478,000; cost exceeded sales price by $26,853,000.

6. Export Steamship Corporation (year sold, 1925): Number of vessels, 23; total sales price, $1,299,000; cost to build, $42,105,000; cost exceeded sales price by $40,806,000.

7. Munson Steamship Co. (year sold, 1925): Number of vessels, 4; total sales price, $4,104,000; cost to build, $24,989,000; cost exceeded sales price by $20,885,000.

8. Oceanic & Oriental Navigation Co. (year sold, 1928): Number of vessels, 21; total sales price, $1,981,700; cost to build, $40,311,000; cost exceeded sales prices by $38,330,128.

9. Pacific Argentine Brazil Line (year sold, 1929): Number of vessels, 8; total sales price, $396,285; cost to build, $15,084,000; cost exceeded sales price by $14,687,715.

10. States Steamship Co. (year sold, 1928): Number of vessels, 13; total sales price, $1,199,400; cost to build, $27,490,000; cost exceeded sales price by $26,290,643.

The 10 subsidized lines enumerated above represent 104 vessels sold. The total sales price for these vessels was less than $23,000,000. The total cost of construction for the 104 vessels was $258,000,000. Their cost of construction, therefore, exceeded the total sales price by more than $225,000,000. In other words, the sales price in the aggregate was not 10 per cent of this cost of construction.

Mr. FLETCHER. These items will be very instructive, I am sure, and I have no reason, as I have stated, to question the facts upon which they are based.

Next, I should like to have printed, beginning on page 60 of the print I have, the matter under the heading "The Present Law Is Defective." I think it is important to put that in because that is one thing we must look after. Undoubtedly there are some defects in the present law which ought to be corrected.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

IX. THE PRESENT LAW IS DEFECTIVE

RESPONSIBILITY FOR THE KIND OF "CONTRACTS" MADE IS CHARGEABLE EITHER TO THE TEXT OF THE LAW OR TO ADMINISTRATIVE OFFICIALS—WHICH?

Responsibility for the contracts which have been made is primarily with the administration of the law, for the text contains no mandate that a single contract be made under it. As the making of each of the contracts was wholly discretional with the Postmaster General, the amount of compensation was under his control, for the contract need not have been made if the bidder would not accept the amount tendered. The fact that there was an advertisement inviting bids; that a bid was tendered; that it was an only bid and at the maximum rate imposed no obligation, legal or moral, to accept the bid nor to award a contract. These transactions, furthermore, were not demanded by the requirements of the Post Office Department.

As between the text of the law and the officials who administered it, viz, the Post Office Department and the Shipping Board, the responsibility for the grave and costly errors which have been committed is that of the officials.

Howeyer, as between the text of the law and the rights of the people and of the Federal Treasury, the law is responsible unless certain contracts are voidable, as in violation of the law, because of their terms and because of the circumstances under which they were awarded. The fact is, the law contains ambiguities and contradictions which may explain, though not justifying, some of the awards made. The following are illustrations:

First. An elaborate classification of vessels is laid down in section 408 (a), under which the compensation is presumptively controlled by two factors, viz, the size and the speed of the vessels involved. This having been done, it is then promptly nullified by paragraph (b) of the same section, which provides the rates named can be paid vessels having the speed named, irrespective of size! As a result, a contract has been made (New York & Porto Rico Steamship Co.) for a service between Porto Rico and San Domingo (only 222 miles) in performing which a comparatively small motor boat can be used—yet the compensation is $4 per mile for a 13-knot boat, irrespective of size, whereas the classification as first stated would have required an 8,000-ton vessel!

The quantity of the mail can be readily handled in the smaller motor boat, with a very small crew, and yet over $800 per trip for 52 trips annually has been promised for a service which can be rendered by a motor boat between sunrise and sunset!

Second. It is required by section 405 that plans and specifications of new vessels shall be approved by the Secretary of the Navy, in accord with the much-published fact that subsidies are justified in proper cases, because the vessels will be of value in our national defense. And yet the requirement that the plans, etc., shall be approved by the Secretary of the Navy are nullified by clause (2) of the paragraph, which makes acceptable, without the Secretary's approval, every vessel "which will be otherwise useful to the United States." This qualifies for the ocean mail service every vessel complying with the specification, having commercial value, though having no value as a "naval auxiliary," for they would be "otherwise useful," as commercial vessels.

Third. More serious in their possibilities than these are the provisions of paragraph (e) of section 409, authorizing the Postmaster General to "allow additional compensation in amounts to be determined by him" if airplanes are "used in conjunction with vessels."

Thus far the maximum rates granted have been limited to the rates printed in the law, and these rates are the maximum if airplanes are not used "in conjunction with the vessel." But if airplanes are thus used it may be claimed that there is no limit whatever on the Postmaster General's discretion; that he is not limited to the extra expense of the airplane service only; and that he could allot $20 per nautical mile for a vessel otherwise limited to $10 per mile.

Presumptively, the law has reference to a vessel physically equipped for planes to land on or depart from its decks, but the language used is not limited to that interpretation. An airplane dropping mail to the deck may be claimed as "used in conjunction with the vessel." If this interpretation should be applied (though we think it should not) would the contract be a legal obligation of the United States?

Fourth. The qualification of vessels to be used are given in section 405 of the law, the dominant requirement being that they shall be "American built and registered * * *" and the whole theory of a subsidy applies to American-built vessels only Notwithstanding this fact, item (3) of the first paragraph makes also acceptable vessels:

"* * * actually ordered and under construction for the accounts of citizens of the United States, prior to February 1, 1928, and registered under the laws of the United States during the entire time of such employment."

This clause was inserted in the bill chiefly at the instance of the Grace Steamship Co. because it was building two new vessels at the time, in a European shipyard, intended for its service between New York and the west coast of South America.

It is an interesting fact that at the very time this company placed orders for new vessels in a foreign yard, it was enjoying a subvention from the United States, under section 24 of the merchant marine act, 1920, this fact is emphasized elsewhere (p. 23).

Whether the exception should have been introduced solely to accommodate the foreign-built vessels of the Grace Line need not be further considered; we think it should not. Having qualified under the law, there was nothing in the law justifying the award of maximum rate for them.

In fixing maximum rates Congress did so on the basis of construction costs in American yards; and yet the Grace Line not only has the benefit of the lower construction costs in foreign yards, but enjoys the maximum rate applicable, if otherwise justified, only to the higher construction cost of American yards.

The 1928 act should not have qualified these vessels; having done so, however, the Postmaster General was under obligation to fix a lower maximum rate, to offset the fact they were built abroad.

Another aspect of the law subject to criticism, if this law is to be applied as a subsidy, is the fact that it expressly modified section 24 of the 1920 act and omitted, intentionally omitted, that clause which clearly made that section a ship subsidy by indicating that "postal contracts" under that section were not to be regarded as mere contracts of transportation; we refer to the following provision, which was omitted from the 1928 law: "The board and the Postmaster General, in aid of the development of a merchant marine adequate to provide for the maintenance and expansion of the foreign" commerce, shall determine the compensation to be paid the vessel.

Now the deliberate omission of this clause clearly implied that computations under the 1928 act were not to be primarily "in aid of the development of a merchant marine."

The fact is, in planning and phrasing Title IV of this 1928 act, every sentence and word susceptible of criticism in debate that it was a subsidy, was carefully and intentionally avoided.

Mr. FLETCHER. From page 81 I desire to have printed in the RECORD the matter under the heading, "The Mail in Fact Transported," down to the end of page 83, which shows the actual operation under the present law and contracts.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

THE MAIL IN FACT TRANSPORTED

The following information, for the voyages indicated, was obtained from the Post Office Department. The term, "At normal rates," means the amount which would have been payable for all the voyages at the poundage rates prevailing generally under the International Postal Union. The term, "Amount in fact paid," is the amount paid under these contracts for the same service of transportation. The difference is the extent the contract compensation exceeds the commercial value of the service as a mere item of transportation.

American Scantic Line (p. 96): Compensation for 28 voyages: At normal rates, $2,600; amount in fact paid, $260,000.

American South African Line (p. 97): Compensation for 8 voyages: At normal rates, $375; amount in fact paid, $165,000.

American West African Line (p. 98): Compensation for 12 voyages: At normal rates, $735; amount in fact paid, $195,000.

Dollar Steamship Line (p. 100): Compensation for 15 voyages: At normal rates, $13,500; amount in fact paid, $728,000.

Dollar Steamship Line (p. 101): Compensation for 15 voyages: At normal rates, $5,950; amount in fact paid, $650,000.

Eastern Steamship Line (p. 102): Compensation for 78 voyages: At normal rates, $1,400; amount in fact paid, $147,000.

Export Steamship Corporation (p. 103): Compensation for 66 voyages: At normal rates, $1,770; amount in fact paid, $820,000.

Grace Steamship Co. (p. 104): Compensation for 20 voyages: At normal rates, $30,000; under this contract, $390,000.

Lykes Bros. Steamship Co. (p. 106): Compensation for 34 voyages: At normal rates, $165; under this contract, $157,000.

Munson Steamship Line (p. 107): Compensation for 20 voyages: At normal rates, $33,200; under this contract, $920,000.

New York and Cuba Mail Steamship Co. (p. 108): Compensation for 33 voyages: At normal rates, $35; under this contract, $224,000.

New York and Cuba Mail Steamship Co. (p. 109): Compensation for 30 voyages: At normal rates, $1,360; under this contract, $242,000.

Oceanic & Oriental Navigation Co. (p. 111): Compensation for 8 voyages: At normal rates, $535; under this contract, $113,000.

Oceanic & Oriental Navigation Co. (p. 112): Compensation for 7 voyages: At normal rates, $145; under this contract, $123,000.

Pac-Argentine-Brazil Line (p. 114): Compensation for 6 voyages: At normal rates, $3; under this contract, $102,000.

States Steamship Co. (p. 116): Compensation for 14 voyages: At normal rates, $145; under this contract, $230,000.

States Steamship Co. (p. 117): Compensation for 8 voyages: At normal rates, $133; under this contract, $122,000.

Mr. FLETCHER. From page 124 of this print I desire to have inserted in the RECORD all of section 409 of the act and what follows under the heading "Compensation Under Contracts," showing that the law itself provides that the rates shall not exceed those mentioned, and in every contract, so far as I am advised, the rate has been fixed at the maximum.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

COMPENSATION UNDER CONTRACTS

SEC. 409. (a) The rate of compensation to be paid under this title for ocean-mail service shall be fixed in the contract. Such rate shall not exceed: For vessels of class 7, $1.50 per nautical mile; for vessels of class 6, $2.50 per nautical mile; for vessels of class 5, $4 per nautical mile; for vessels of class 4, $6 per nautical mile; for vessels of class 3, $8 per nautical mile; for vessels of class 2, $10 per nautical mile; and for vessels of class 1, $12 per nautical mile. As used in this section the term "nautical mile" means 6,080 feet.

(b) When the Postmaster General is of opinion that the interests of the Postal Service will be served thereby, he may, in the case of a vessel of class 1 capable of maintaining a speed in excess of 24 knots at sea in ordinary weather, contract for the payment of compensation in excess of the maximum compensation authorized in subsection (a), but the compensation per nautical mile authorized by this subsection shall not be greater than an amount which bears the same ratio to $12 as the speed which such vessel is capable of maintaining at sea in ordinary weather bears to 24 knots.

(c) The Postmaster General is of opinion that to expedite and maintain satisfactory service under a contract made under this title, airplanes or airships are required to be used in conjunction with vessels, he may allow additional compensation, in amounts to be determined by him, on account of the use of such airplanes or airships. Such airplanes or airships shall be American built and owned, officered, and manned by citizens of the United States.

(d) The Postmaster General shall determine the number of nautical miles by the shortest practicable route between the ports involved, and payment under any contract made under this title shall be made for such number of miles on each outward voyage regardless of the actual mileage traveled.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. MOSES. Mr. President, I discover that the Senator from Iowa is a far better mathematician than any of the experts connected with the Committee on Appropriations or the Senator now in charge of the bill, because he discovers that the total increase, if the Senate amendment should prevail in the bill, will be $3,464,000 instead of $4,464,000, which makes my argument just $1,000,000 better.

Mr. JONES. Mr. President, I should like to ask the Senator from New Hampshire a question. It does not relate to what we have immediately before us, but I understood the Senator to say that he proposed to move that the Senate recede from a certain amendment?

Mr. MOSES. Yes. That was amendment numbered 66, relative to the air mail.

Mr. JONES. Having relation to the air mail route along the northern part of the country?

Mr. MOSES. Yes.

Mr. McKELLAR. Mr. President, before the vote is taken, may I ask the Senator from New Hampshire what effect will this proposed reduction of the amount available for promotions in salaries have on the similar question arising in the case of other departments? Will the appropriations for the other departments be reduced?

Mr. MOSES. If the framers of the legislation affecting the other departments have as good a knowledge of conditions in the departments as the committee had which framed the Treasury and Post Office bill, I should say that the situation would be exactly the same in all the departments; that is to say, we have here $2,273,000, as against $3,464,000, which we would have had; in other words, they would benefit two-thirds, just the same as do those who come under this bill.

Mr. FLETCHER. May I ask the Senator what is involved in the motion to recede?

Mr. MOSES. The question now is on agreeing to the conference report, and there will then be left one amendment from which I shall move to recede, as to which the conferees could not agree.

Mr. FLETCHER. Which one is that?

Mr. MOSES. That is amendment numbered 66.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BLAINE. Mr. President, I desire to have a separate vote upon amendment numbered 68.

Mr. MOSES. Is that the garage amendment?

Mr. VANDENBERG. On what page is that found?

Mr. BLAINE. It is found on pages 66 and 67 of the bill.

Mr. MOSES. May I ask the Senator is that the garage lease amendment?

Mr. BLAINE. Yes; I desire to discuss the proposition involved at some length.

The PRESIDING OFFICER. The Chair will inform the Senator from Wisconsin that that is not possible, inasmuch as it is embraced in the report, which must be accepted or rejected in its entirety.

Mr. MOSES. I may say to the Senator by way of explanation of the action of the conferees with reference to that amendment that the conferees knew the whole subject of postal leases is now before the select committee of which the Senator from Wisconsin is chairman, and, as this particular amendment involved only some garages, the conferees felt that it was much better to leave the whole matter in the energetic hands of the Senator from Wisconsin, knowing that presently we would have a complete statement of all the activities involved in the making of leases in the Post Office Department.

Mr. BLAINE. Mr. President, I appreciate the great compliment of the Senator from New Hampshire, but I think the committee of conference is playing with a proposition that is very serious. The whole question of leases, both as to postal stations and garages, the select committee finds up to this point in its investigation, has involved a veritable raid on the Treasury of the United States from beginning to end, and the action of the conferees in receding from amendment No. 68, if concurred in by the Senate, will merely perpetuate that sort of thing.

I want to call the attention of the Senate to the fact that this question was of such great importance that even the President of the United States took occasion to discuss it in his annual message. I am going to read that portion of the President's message, as it is very short. The President says in his last annual message to Congress:

> Due to deferment of Government building over many years, previous administrations had been compelled to enter upon types of leases for secondary facilities in large cities, some of which were objectionable as representing too high a return upon the value of the property. To prevent the occasion for further uneconomic leasing I recommend that the Congress authorize the building by the Government of its own facilities.

Those are the words of the President of the United States, and they apply with equal force to garages as part of the post-office facilities.

I am not going to discuss the information the committee has obtained as the result of its investigation, but I wish to review briefly some of the leases with respect to garages, which I think ought to convince the Senate that the opportunity to continue raiding the Treasury of the United States should cease.

Mr. President, of the 400 or 500 leases, including postal stations and postal garages, I doubt if in more than one or two instances there has not been an excessive rental paid, ranging all the way from a 12 per cent return on the actual value of the property to as high as 60 per cent, the average of the return under such leases being about 25 per cent.

The Postmaster General has acknowledged under his own signature that 8 per cent is a reasonable return and that 10 per cent is excessive, and yet notwithstanding the position of the Postmaster General with respect to a certain type of leases it is proposed by the conference committee to permit the Postmaster General to enter into such leases for garages as a part of the postal facilities, without any bids, without any competition, and to bind the Government for a period of 10 years, without any opportunity whatever for future administrations to cancel them. It is proposed to bind the Government of the United States for 10 years to pay rentals many times in excess of a fair rate of return upon the investment.

Mr. BROOKHART. Mr. President, I understood there was a cancellation clause in the leases. Is not that true?

Mr. BLAINE. Those cancellattion clauses in practically every instance under every Postmaster General who has served since 1922 have been eliminated. I mean cancellation with respect to the item which I set forth in the amendment proposed and adopted by the Senate.

Mr. BROOKHART. That was one of the achievements of the Will Hays's administration, was it not?

Mr. BLAINE. It was one of the achievements of the Will Hays's administration and of Postmaster General New's administration——

Mr. MOSES. Mr. President, it goes much farther back than that.

Mr. BLAINE. And of Postmaster General Doctor Work, and is now proposed to be continued by Postmaster General Brown.

Mr. BROOKHART. Is there anything in the law which compels them to eliminate that clause from the leases?

Mr. BLAINE. As the Postmaster General has construed the law, he has perfect freedom to enter into these leases without bids, without competition, without any reservation whatever; he has freedom to bind the Government for the period of 20 years in the case of post-office leases and binding the Government for a period of 10 years in the case of post-office garages. That is a situation that has brought about favoritism. I have not any doubt that fraud has been involved; I have no doubt that certain political contributions have entered into the consideration of those leases. I am not going to discuss that aspect of the case at the present time, but I wish to call the attention of the Senate to what will continue to be the policy under the present administration if the Senate recedes from its position.

I have compiled data on a few post-office garages. For example, I have taken the post-office garages that have been leased by one of the so-called professional bidders, and what is true in this case is true in every other case.

I call attention to this item: A garage lease running for 10 years, the actual value of the property being only $38,000. Under the lease for that garage $15,000 annually is exacted from the Government. The amount that is paid in rentals on that one garage alone for less than three years would buy the property and build identically the same type of building, and yet the Government is bound under its lease for the term of 10 years.

Talk about raiding the Treasury! Never in the history of our country has there been such an attempt to raid the Treasury as there has been with respect to these post-office leases, and with respect to the proposition which the conferees are attempting to eliminate from this bill.

I will take a few more examples. I have not picked these out. I have simply taken them as they appear in the tabulation of post-office substations and leases, making no attempt to pick out the most aggravated cases.

Here is another case that is not quite so bad: A property value of $450,000, with an annual rental of $66,600, a return of 13 per cent upon the value. That is 5 per cent above the amount the Postmaster General has declared in writing as a reasonable return.

Here is another case: Total value of the land and building, $17,000. Under the lease the Government is paying $6,400 a year, or 35 per cent return upon the value.

Here is another case: A property value of $200,000, carrying an annual rental $40,000, or 20 per cent. Why, Mr. President, in 5 years the rent alone would pay for the land and the building in that case; and yet the Government is bound to contribute $40,000 a year for 10 years, or $400,000 during the period of the lease, which is twice as much as the actual value of the property.

I am going to point out one or two more instances.

Here is a case that is not quite so bad. The actual value of the property is $232,000. The rental is $28,000 a year. Under that lease the return is 12 per cent on the value of

the property, or 4 per cent in excess of the amount that the present Postmaster General has declared to be a reasonable return. His proposition with respect to an 8 per cent return includes on the part of the lessor the furnishing of heat, light, water, and power. In those cases, even with the furnishing of all those facilities, he has declared 8 per cent to be a reasonable return, while in the case of every one of these garages there are no facilities whatsoever offered—no heat, light, power, or water. So 8 per cent, taking the standard fixed by the Postmaster General, is an excessive return. But just assuming that to be a reasonable return, I am endeavoring to give the Senate information with respect to these specific postal garages.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. BLAINE. I do.

Mr. BROOKHART. I should like to ask the Senator if it would be proper to amend the provisions of this bill so as to cover the matters he is now discussing.

Mr. BLAINE. The Senate has already amended it. I offered an amendment which provides that no part of said sum—that is, the amount appropriated—should be used for leasing buildings for the housing of Government-owned automobiles.

Mr. BROOKHART. And the Senate adopted the amendment?

Mr. BLAINE. The Senate adopted the amendment unanimously, on the suggestion of the chairman of the Committee on Post Offices and Post Roads, who recognized that there ought to be these restrictions thrown about the leasing of these post-office facilities.

Mr. BROOKHART. And now the conference committee recedes from that amendment?

Mr. BLAINE. The conference committee recedes from that amendment.

Mr. BROOKHART. Then this conference report ought to be defeated.

Mr. BLAINE. The whole conference report ought to be defeated. The proposal to recede on this item alone justifies the Senate of the United States in defeating the entire report.

Why, Mr. President, the raid that is being made upon the Treasury of the United States in these matters runs all the way from ten to fifteen million dollars a year—no small sum. In most of these cases the Government could have purchased the land and erected the buildings and paid therefor out of five years' rental. On an average of all these leases, including the postal substations and garages, every one of those stations—land and building and equipment—could have been purchased out of the rentals that the Government has paid in six years; and yet the Government is bound to continue to pay that rent under those leases as affecting post-office substations for a period of 20 years and in the case of garages ordinarily for a period of 10 years.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. McKELLAR. I recall an illustration of what the Senator says that took place at Memphis. There the Post Office Department had a lease for 10 years on a certain garage for its post-office vehicles. It canceled the lease in the midst of the term without rhyme or reason, except that apparently it desired to give the contract of lease to some one else, and entered into another contract of lease for another period of 10 years at a largely increased rental—such an increased rental that while I am not absolutely sure of the figures, I am substantially right in saying that it provides for a 25 per cent investment instead of an 8 per cent investment. That took place at Memphis, Tenn.

Mr. BLAINE. We have an analysis of that lease. I have not the data before me at this time, but I am rather inclined to the opinion that the Senator has stated the proposition approximately correctly, as nearly as any man could state a proposition without the data before him.

Now, Mr. President, I want to call attention to some more of these leases.

Here is one. I can give the places where these leases are held. I am not going into those details this afternoon. We will furnish all of this information to the Senate in great detail at a later time. Here is a lease for 10 years. I do not mean that these leases are to run for 10 years from this day. I am speaking of the 10-year lease period from the date of the lease.

Here is a lease that carries a rental of $15,400 a year for 10 years. The actual value of that property is $50,700. That is the actual value. That means a return of 30 per cent under that lease. In three and a half years the rentals under that lease would pay for the property, land, and building and equipment, if there is any equipment.

I mentioned at the opening that these leases yielded a return to the lessor up as high as 60 per cent. There are a number of those cases. I find here—and this has to do with only a few of the leases held by one of the professional bidders—a lease for a garage for 10 years which carries an annual rental of $20,100. Now, Senators, note: The actual value of that propery is only $37,000, and yet it bears an annual rental of $20,100! That garage happens to be situated in the city of Indianapolis, Ind., from which came very powerful political influences. That may explain why some friend of a Postmaster General was given a lease for a garage with such a handsome return.

The President talks about Members of the Congress attempting to raid the Treasury. Here is one of the greatest raids that ever was proposed upon the Treasury of the United States, and the Congress of the United States is asked to compromise and compound that sort of an offense against our Government.

All the amendment proposed which was adopted by the Senate was that there should be included in the original lease a provision that whenever the Government has available a Government-owned building for the housing of Government-owned automobiles, the lease might be canceled. That clause, which has been contained in the printed form of these leases, has been in practically every instance stricken from the lease, so that under the leases now prevailing it is impossible for the President to carry out his proposal for the authorization of building by the Government of its own facilities. The Government has these leases on its hands all the way from 10 to 20 years, and when that cancellation clause has been eliminated from practically all of these leases, of course it is impractical for the Congress of the United States to authorize a Government-owned building for identically the same purpose, and at the same time continue to pay these exorbitant exactions by the way of rentals.

The amendment also proposes that no lease for such purpose shall be entered into until there have been bids submitted under the same terms and conditions as far as applicable as competitive bids are now required for the construction of Government buildings under the jurisdiction of the Treasury Department.

In scarcely any of these cases has there been a proposal advertised. I do not recall a single one. There may have been some out of the four or five hundred leases involved. In many cases, in scores of cases, the proposal for a lease has not been submitted even to the professional bidders. Favorites have been selected, who have become the beneficiaries under the policy which has prevailed in the last eight years, and there will be other favorites if Congress approves the continuance of that policy for another year.

These buildings for substations and garages have been leased by the Government of the United States without any regard whatever to the taxpayers of this country and the Treasury of the United States. So far as the Postmasters General have been concerned, the Treasury of the United States has been an open bag into which they permitted the favored individual to put his hands and extract therefrom these unconscionable, extortionate rentals, ranging all the

way, as I pointed out, from 12 per cent to 60 per cent as a return upon the actual, true investment.

There is nothing unreasonable about this amendment. Generally it is in the cases of substations and post-office garages that this policy has been pursued. I can not understand, under the representations made by the present Postmaster General to the President of the United States, why a committee of Congress would eliminate this amendment from the bill. I can not understand what excuse can be made, unless it is the view of the committee that favorites of the present Postmaster General and future Postmasters General may have the opportunity to put their hands into the Treasury of the United States without any limit whatever.

Abuses have been gross. It has not been a case of an abuse here and there through some mistake. The abuses must have grown out of a designed purpose, because they are so general, and the abuses are so great, that that sort of thing could have prevailed only where there were two parties aiding in a conspiracy to defraud the Government of the United States.

Mr. President, in the case of the commercial postal station at St. Paul, I call attention to the fact that the Government, under the lease for that station, is paying $120,000 a year. Commissioners selected under the law last summer or last spring valued that property at three hundred and seventeen thousand and some hundred dollars, in round figures, $317,000. An appeal was taken from that award by the commissioners to the United States district court. That appeal was tried before the court and a jury. The jury rendered its award, and allowed three hundred thirty-four thousand and some few hundred dollars additional, in round figures, $334,000.

There have been a number of competent governmental agencies which have passed upon the value of that building, and in no case, outside of the Postmaster General's Department, has that property been appraised at higher than the value fixed by the jury, $334,000. Yet the Government of the United States has been paying $120,000 a year as rental. Three years' rent would pay the entire value of the land and building in the case of that station.

As I said, such leases are usually for a 20-year term. The leases for garages for Government-owned automobiles are usually for a 10-year term. But the fraud upon the Treasury of the United States, upon the people of this country, is identically the same whether with respect to substations or garages. The only difference is that in the case of garages the Government is not wronged for as long a period as it is with respect to the substations.

These facts are not controverted, can not be controverted; they are part of the official records, some of them records of the Post Office Department. Yet, in the face of these records and these facts, the Senate conferees have agreed to recede from this amendment merely upon the excuse that a select committee is now considering this whole subject; and, therefore, that Congress will have full information upon this matter when the committee reports.

That is not a good excuse, that is not a valid excuse. The amendment, which was adopted by the Senate, does not tie the hands of the Government at all. It permits the Government to continue to rent these garages until we have outlined a plan for Government-owned facilities, but it requires that the leases executed for the garages shall contain a clause providing that when the Government of the United States has a Government-owned building in which may be housed Government-owned automobiles, then the Postmaster General shall be permitted to cancel the lease.

It also provides that in the making of these leases, in order to protect the Government against fraud which grows out of favoritism by the departments of the Government to individuals, in order to prevent that favoritism and that fraud, that the bids shall be competitive bids, that there shall be advertising of the proposal for these leases.

There is nothing unreasonable about that, nothing that ties the hands of the Government. The Government can continue to lease the garage facilities until the Government has enacted a program for the building of Government-owned buildings. Yet the conferees on the part of the Senate, it seems to me in total disregard of the best interests of our country, in total disregard of the many instances of extortion in the past on the part of lessors, have assumed the usual supine attitude of submitting to the House conferees.

I have presented these facts so that the Senate at least may be advised, not of theories but of conditions as they are and as they have existed for the last eight years. I have endeavored to call the attention of the Senate to the facts without any condemnation of anyone. The responsibility for the conditions which have existed will be called to the attention of the Senate at a later date. It is sufficient now for us to know what the policy has been, what the practice has been, and what we may assume it will continue to be if we, by legislation, permit such a practice to continue.

I am not asking that the Government do not rent any garages. I am not contending that we should await the outlining of a program. All I have asked for and all the Senate demanded when it adopted this amendment was that the proper protection should hedge about the Government of the United States, that when the Government of the United States had a Government-owned building it should have the right to cancel a lease, that before any such lease should be executed there should be open, competitive bids submitted under the same terms and conditions, as far as applicable, as competitive bids are now required for the construction of Government buildings under the jurisdiction of the Treasury Department.

Why should there be a special exception in these cases?

Mr. President, with the facts that are before us, I can not understand why there should be a special exception made in these particular instances. Why should the Postmaster General be permitted to enter into leases without offering to the public proposals for bids, so that all might have an equal opportunity to bid therefor, with the advertising that the Government requires with respect to all other projects? Why should all such requirements be waived, in the face of the fact that the practice and the policy which I have been discussing indicates clearly that the Government of the United States has been defrauded out of millions upon millions of dollars? I dare say, Mr. President, that the total amount of rentals which have been paid upon postal substations, garages, parcel-post terminal facilities—upon all such leased facilities—since the adoption of this policy up to July 1, 1930, would amount to a sufficient sum to have purchased every foot of land and constructed every building of which the Government of the United States now is the lessee, and yet there are 8 or 10 years to run in most of these cases.

Oh, it is not just $10,000,000. These sums for the whole period amount to an aggregate of over $150,000,000, and about half of it constitutes unjust exactions as against the Government of the United States; and yet the conferees propose to close their eyes and to perpetuate the policy which has brought about these veritable raids upon the Treasury of the United States, and which will continue to constitute raids upon the Treasury of the United States.

Mr. President, this matter, in my opinion, is of such great import, it is so vital, that I am disposed to ask for a rejection of the conference report and to let the conferees take the matter back to conference and insist that amendment numbered 68 shall remain in the bill. I think it is so vital that there is justification for a roll call, if one could be obtained. I want to say that there is no need for any great haste in the matter. The final solution can await the holiday recess, if Congress takes one, but there is no need even for that delay. The conferees can bring the bill back within a short time from the time the result of the roll call is announced, should that roll call disclose that to be the temper of the Senate. Therefore, Mr. President, I ask for the yeas and nays.

Mr. VANDENBERG. Mr. President, may I ask the chairman of the committee and of the conferees to explain the composition of amendment No. 28? The question I have in mind, if the Senator will permit me to amplify it, is this: The Coast Guard Service recommended two Coast Guard stations in the order of their importance. The Coast Guard

station at Grand Island, on Lake Superior, which is the greatest commercial lane in the country, was No. 1 in order of necessity. It was recommended by the Budget, has been authorized by Congress, and now it is stricken out by the conferees in favor of No. 2 on the list of the Coast Guard recommendations, a station in Oregon.

Mr. MOSES. Mr. President, I will say to the Senator that in studying the testimony given with reference to the Coast Guard stations there was developed before the conferees the fact that the distance between the two nearest stations on the coast of the Great Lakes is 70 miles; in other words, that this particular point is only 35 miles distant from any station, while there is 200 miles of Oregon coast without any station whatever. In view of the record of disasters which was submitted to the committee, I think in the form of a memorandum, it seemed to the conferees that the Oregon station was of more importance and more urgent than the station on the Great Lakes.

Mr. VANDENBERG. Does the Senator think the opinion of the conferees better than the opinion of Admiral Bullard?

Mr. MOSES. The conferees thought so.

Mr. VANDENBERG. The Senator from New Hampshire will permit me to say that I quite disagree with him.

The PRESIDING OFFICER. The question is on agreeing to the conference report, upon which motion the Senator from Wisconsin [Mr. BLAINE] has demanded the yeas and nays.

Mr. BLAINE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	George	King	Simmons
Barkley	Gillett	La Follette	Smith
Black	Glass	McGill	Smoot
Blaine	Glenn	McKellar	Steiwer
Blease	Goff	McNary	Stephens
Borah	Goldsborough	Morrison	Swanson
Brock	Gould	Morrow	Thomas, Idaho
Brookhart	Hale	Moses	Thomas, Okla.
Broussard	Harris	Norbeck	Townsend
Bulkley	Harrison	Norris	Trammell
Capper	Hastings	Nye	Tydings
Caraway	Hatfield	Oddie	Vandenberg
Carey	Hawes	Patterson	Wagner
Connally	Hayden	Pittman	Walcott
Couzens	Hebert	Ransdell	Walsh, Mass.
Cutting	Heflin	Robinson, Ark.	Walsh, Mont.
Davis	Howell	Robinson, Ind.	Waterman
Dill	Johnson	Schall	Watson
Fess	Jones	Sheppard	Wheeler
Fletcher	Kean	Shipstead	Williamson
Frazier	Kendrick	Shortridge	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present. The question is on agreeing to the conference report.

Mr. BROOKHART. Mr. President, I desire to ask the Senator in charge of the bill a few more questions. It now appears there was a million-dollar error in his figures, but since they were against him I can not accuse him of any corruption in that.

Mr. MOSES. Oh, no; the error being corrected, I was much better placed.

Mr. BROOKHART. Is the $2,273,000, which is simply the total of what is in the bill, and another $1,190,000, all that is required to make up the pay advances under the Welch Act and the so-called Brookhart Act?

Mr. MOSES. No. The total sum required to take care of the provisions of the Welch Act and the Brookhart Act for all branches of the Federal service is about $14,000,000.

Mr. BROOKHART. I understand that. For this fiscal year what would be required to take care in full of the sum required so far as this appropriation bill is concerned for it all?

Mr. MOSES. Does the Senator mean if we did everything?

Mr. BROOKHART. Yes.

Mr. MOSES. I would have to make some computations in order to answer the Senator's question, but the proposition before both branches of Congress was to deal with it in three steps, and to provide for one-third of it this year.

Mr. BROOKHART. Under the Senate proposal it would require how much?

Mr. MOSES. That is all we had before us I will say to the Senator. We did not have the total proposition before us in any sense; neither House sent it to us.

Mr. BROOKHART. As the bill passed the Senate it did not include the total amount?

Mr. MOSES. It did not; it included one-third under the program submitted by the Budget Bureau.

Mr. BROOKHART. And that would be $3,464,000?

Mr. MOSES. The total sum for all the departments would have been $4,500,000 in round numbers. The total amount which would have gone into this bill, if the action of the Senate as originally taken up, the 3-year program, had prevailed, would have been $1,190,000 additional.

Mr. BROOKHART. More than is provided in the conference report?

Mr. MOSES. More than is provided in the conference report.

Mr. BROOKHART. That makes a total, then, of $3,464,000 which it is necessary to appropriate in order to carry out the provisions of the law.

Mr. MOSES. The Senator is so much better as a mathematician than I am that I admit his figures are correct.

Mr. BROOKHART. In the first place, Mr. President, it seems to me that the law ought to have been carried out, and it seems to me that since the Senate has cut it down one-third or practically that——

Mr. MOSES. The Budget Bureau did that before the Senate did it.

Mr. BROOKHART. The Budget Bureau had no business to do it. The Budget Bureau ought to have read the law and followed the law, and if the Budget Bureau does not follow the law, I think it is the duty of the Senate to follow the law anyway. Furthermore, I think it is the duty of the conferees to follow the law.

So, in this situation, I think the conference report ought to be defeated on this proposition to begin with, and I think perhaps there is even stronger reason for defeating it as set forth in the argument advanced by the Senator from Wisconsin [Mr. BLAINE]. I can not understand how any conference committee could recede from a proposition that protects the Government from fraud, and that is what the Blaine amendment seeks to do.

Mr. MOSES. Mr. President, there were two lines of reasoning which actuated the conferees, in addition to the general situation which the Senate conferees always confront. One was that the whole subject matter was before a select committee, from which committee we are going to have suggested remedial legislation for the entire situation. In addition to that, we were of the opinion that the fact that the amendment had been adopted by the Senate would serve notice upon the Post Office Department that the department had better watch its step.

Mr. BROOKHART. But it was the chairman of the select committee who came to the Senate and offered the amendment which was adopted by unanimous vote of the Senate. So it is quite apparent that this much legislation is deemed immediately necessary by the special committee, and I can see no reason why anybody who desires to protect the rights of the Government at all in either House or the Senate should object to that. I feel quite certain if the report shall be rejected and sent back to conference that by February, anyway, the House conferees will recognize the merit of this proposition and accede to it.

Now, Mr. President, I want to know a little more about the emergency appropriation in this bill. The Senator from Utah mentioned first that there are some appropriations which were emergency appropriations. I should like to know something more of the details and the amounts of those appropriations that are going to be used during the holidays and during the proposed recess of Congress.

Mr. SMOOT. Mr. President, I do not know that any of the amounts will be used during the recess, but they will be used just as soon as the bill is signed by the President. Of course they can not be used before that time.

Mr. BROOKHART. If the bill is signed by the President on Monday would the amounts be used on Tuesday or anything of that kind?

Mr. SMOOT. I have never asked the question whether they would be used on the next day or not, but they would not have to remain unexpended until June 30 next.

Mr. BROOKHART. No; but if we agree to this report in January or February, that will be soon enough so far as the use of the funds is concerned, will it not?

Mr. SMOOT. Yes; before June 30, but if the bill should be passed earlier it would allow that much more time to make arrangement as to the money to be expended.

Mr. BROOKHART. Then, in fact, all of the appropriations in this bill are effective after June 30.

Mr. SMOOT. Certainly.

Mr. MOSES. Oh, no, Mr. President. The general line of the legislation is effective at the beginning of the new fiscal year, but there are certain items in this bill which are made immediately available.

Mr. SMOOT. That is not the question the Senator from Iowa asked me, as I understood him.

Mr. BROOKHART. Perhaps I did not ask the question clearly. Some of these funds are to be immediately available; but I am more interested in the question as to whether they are immediately needed. Are they going to be used immediately?

Mr. SMOOT. Certainly; the reason for the provision that they shall be immediately available is that they may be used by the Government as soon as the bill becomes a law.

Mr. BROOKHART. Does the Senator know that any portion of the funds will be used in January?

Mr. SMOOT. I can not say whether they will be used in January, but they will be used at the very earliest date possible and they will be used before June 30.

Mr. BROOKHART. Well, Mr. President, it seems to me that is an exceedingly hazy reason for surrendering important amendments as has been done in this conference report.

Mr. SMOOT. We have provisions as to certain sums being made immediately available in nearly every appropriation bill. There is one in the Interior Department appropriation bill; in fact, there are three items of appropriation in that bill which are made immediately available.

Mr. BROOKHART. I understand that, but I do not understand any of these to be so urgent that we need to be in a hurry in the next hour or two to adopt the conference report and surrender other important amendments that we ought not to surrender.

Mr. SMOOT. That is another question.

Mr. BROOKHART. That is my position on this matter. In the first place, what is proposed to be done by this conference report is not fair to the Government employees, and, in the next place, its adoption will permit a very vicious practice in reference to post-office leases to continue. There is still a further amendment from which the Senator from New Hampshire has already announced he will move to recede as soon as the report shall have been adopted. So I think every Senator ought to join in defeating the conference report. Then we can have a real consideration of these questions under such conditions that the Senate ought to succeed in having its view prevail and secure the legislation as the Senate passed it and as the Senate evidently believes to be right.

I am not sufficiently familiar with all the details of this measure, but I presume it is true that the figures of the Senator from New Hampshire are correct and that two-thirds of the amount that we ought to have or about that amount is allowed to the Government employees; but they are still denied one-third of the advances which the law has already prescribed they should have.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. McKELLAR. Mr. President, unquestionably the Wood amendment is out if the conference report shall be adopted. What objection could there be to providing in a deficiency bill the additional million dollars, which I understand it will take to carry out the provisions of the Senator's bill which has previously been passed? I believe the necessary amount could be added in a deficiency bill if the Senate saw fit to do it. In other words, the important thing is that the Wood amendment is out of the bill if the conference report shall be agreed to.

Mr. BROOKHART. The Wood amendment has no further terrors for me, anyway, because the House has rejected it in the other appropriation bills, as I understand. What assurance does the Senator have——

Mr. MOSES. But the House has done so because of its understanding of what was going to be done here on this bill.

Mr. BROOKHART. What assurance does the Senator from Tennessee have that we could add the necessary million dollars to a later deficiency appropriation bill?

Mr. McKELLAR. I do not have any assurance at all. I refer the Senator to my distinguished friend from Washington [Mr. JONES], the chairman of the Committee on Appropriations.

Mr. SMOOT. Mr. President, I can say to the Senator that there will be all the chance in the world when the deficiency bill comes here, because we will not then, of course, be considering a conference report, a vote of the Senate can be taken, and whatever amendment the Senate favors can be incorporated in the bill. The Senator said, I think, that as to the Treasury Department the total would be $1,173,000. That amount could be added to a deficiency appropriation bill, as has been suggested by the Senator from Tennessee.

Mr. McKELLAR. It is authorized by law, and naturally an amendment providing such an appropriation would be in order and a vote on it could not be prevented.

Mr. SMOOT. A point of order could not be made against it. The amount for the Treasury Department is $1,349,000. That amount is authorized by law and it could be added to the first deficiency appropriation bill. So far as this bill is concerned, the appropriation will not take effect until the first of July, but when a deficiency bill shall be passed by the Senate more than likely it will take effect immediately after its passage.

Mr. JONES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Washington?

Mr. BROOKHART. I yield.

Mr. JONES. If it is contemplated to put an amendment of the kind referred to in the deficiency bill, why not put it in this bill where it properly belongs, and then let every appropriation bill that comes before the Senate for consideration hereafter follow the provisions of the Treasury Department appropriation bill. I do not think that we ought to depend upon taking care of this matter in a deficiency bill. If we are going to take care of it, this is the bill where it ought to be provided for.

Mr. SMOOT. The Senator knows that the amount was placed in the bill by an amendment adopted by the Senate, but the House conferees would not agree to it, and the Senate conferees have submitted a report here to that effect. If this report shall be accepted, then all the appropriations in the bill, especially that are made immediately available may be used at once, but the other appropriations of course will not be available for expenditure until July 1, 1931.

Mr. JONES. If this matter is sent back to conference——

Mr. SMOOT. Yes; the Senate can send it back to conference.

Mr. JONES. Let us send it back to conference, and let the House have an opportunity to get the expression of its Members on this one-third, or one out of three years, proposition.

Mr. SMOOT. They have had it on one other bill.

Mr. JONES. No; they have not had it, as I understand, on this particular phase. They have had it on the Wood section so far, and they voted it out; and in my judgment if they get an opportunity on this money proposition they will take care of the one-third belonging to the clerks. If we send this bill back to conference, in my judgment the

matter will be taken care of properly, and the House will have to yield on that, as they had to yield on the Wood section.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. BROOKHART. I yield.

Mr. McKELLAR. All I have to say is that it is immaterial to me which way it is done, but if it is not done in this bill unquestionably it would be in order for any Senator to put the amendment on the deficiency bill whenever it comes up.

Mr. BROOKHART. I think the Senator is correct in that proposition, beyond any doubt. Nevertheless, it seems to me that the more appropriate way is to follow the suggestion of the Senator from Washington and put it in this bill. However, if it does go over I shall surely see that the amendment is offered and considered by the Senate in the deficiency bill. But what about this question of fraud in post-office leases, this very important amendment that seemed to have the unanimous approval of the Senate?

If the Senator from Utah can point out any instance where delay of this matter over the holiday is going to cause distress and unemployment and trouble of that kind, that would be a different thing; but I have been unable to elicit any such description from the appropriations made in this bill. Therefore I think the report ought to be rejected.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. DILL. Mr. President, before the Senator from Iowa sits down, I desire to ask him a question. If this item is left out of this department bill for the increase of the wage for the lower-paid employees, it becomes a precedent for all the other department bills—to be left out then—does it not?

Mr. BROOKHART. It seems to me it will; and that is another important reason why it should not be left out.

Mr. DILL. Certainly the Congress could not think of depriving the Post Office and Treasury employees of this increase and then give it to other employees in other departments.

Mr. BROOKHART. It would seem so to me. Of course, if they should turn around and put these items in the other bills, that would be an extraordinarily strong reason for making it up in a deficiency bill. I can see that. Nevertheless, it is a bad precedent to set here at this time.

Mr. DILL. Mr. President, I do not want to take much time; but it does seem to me that this is a parsimonious policy—a policy that the Congress should not indulge in just at this time. Much as I dislike to vote against the conference report, I know of no other way in which I can vote to give the poorly paid clerks of the departments of the Government the increases to which they are entitled under the law. For that reason I shall vote against the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. WALSH of Montana. Mr. President, before a vote is taken upon this matter, I desire to say a word upon a feature of the conference report. I refer to the item for air mail contracts.

Mr. MOSES. Mr. President, will not the Senator permit us to have a vote. I propose to move to recede on that item, and to bring it promptly before the Senate, if we can adopt the report aside from that.

Mr. WALSH of Montana. Does the Senator intend to tell why he would like to recede?

Mr. MOSES. I will when I get a chance to make the motion.

Mr. WALSH of Montana. Very well.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BLAINE. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this question I have a pair with the senior Senator from Colorado [Mr. PHIPPS]. If he were present, I am advised that he would vote "yea." If at liberty to vote, I should vote "nay."

Mr. HAWES (when his name was called). I have a pair with the senior Senator from New Jersey [Mr. KEAN]. Not knowing how he would vote, I withhold my vote.

Mr. ROBINSON of Arkansas (when his name was called). On this question I have a pair with the Senator from Pennsylvania [Mr. REED]. That Senator is absent, and I do not know how he would vote. I therefore withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. TYDINGS (when his name was called). On this question I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. WAGNER (when his name was called). On this question I am paired with the junior Senator from Missouri [Mr. PATTERSON]. I am not informed how he would vote. Therefore I withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. WALSH of Massachusetts (when his name was called). On this question I am paired with the Senator from Vermont [Mr. DALE], who is attending the funeral of his colleague. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. MORROW. I have a pair with the senior Senator from New Mexico [Mr. BRATTON]. I do not know how he would vote on this question. I transfer that pair to the Senator from Delaware [Mr. HASTINGS] and will vote. I vote "yea."

Mr. GEORGE. Permitting my announcement to stand, I transfer my pair to the junior Senator from Utah [Mr. KING] and will vote. I vote "nay."

Mr. FESS. I desire to announce the following general pairs:

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Virginia [Mr. GLASS];

The Senator from Illinois [Mr. DENEEN] with the Senator from Iowa [Mr. STECK];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from New Hampshire [Mr. KEYES] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Maine [Mr. GOULD] with the Senator from South Carolina [Mr. BLEASE]; and

The Senator from Colorado [Mr. WATERMAN] with the Senator from Virginia [Mr. SWANSON].

The result was announced—yeas 24, nays 43, as follows:

YEAS—24

Capper	Goff	Morrow	Smoot
Carey	Goldsborough	Moses	Steiwer
Fess	Hale	Norbeck	Thomas, Okla.
Fletcher	Hatfield	Oddie	Townsend
Gillett	Johnson	Robinson, Ind.	Walcott
Glenn	McNary	Simmons	Watson

NAYS—43

Ashurst	Couzens	Kendrick	Shipstead
Barkley	Cutting	La Follette	Shortridge
Black	Davis	McGill	Smith
Blaine	Dill	McKellar	Stephens
Borah	Frazier	Morrison	Thomas, Idaho
Brock	George	Norris	Trammell
Brookhart	Harris	Nye	Vandenberg
Broussard	Hayden	Pittman	Walsh, Mont.
Bulkley	Heflin	Ransdell	Wheeler
Caraway	Howell	Schall	Williamson
Connally	Jones	Sheppard	

NOT VOTING—28

Bingham	Gould	King	Robinson, Ark.
Blease	Harrison	McMaster	Steck
Bratton	Hastings	Metcalf	Swanson
Copeland	Hawes	Patterson	Tydings
Dale	Hebert	Phipps	Wagner
Deneen	Kean	Pine	Walsh, Mass.
Glass	Keyes	Reed	Waterman

So the conference report was rejected.

EXECUTIVE SESSION

Mr. COUZENS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States transmitting nominations, which were referred to the appropriate committees.

REPORTS OF COMMITTEES

Mr. MOSES, from the Committee on Post Offices and Post Roads, reported sundry postmaster nominations favorably.

Mr. MOSES. Mr. President, when the calendar is reached, I want to ask unanimous consent with reference to all of these postmaster nominations.

The PRESIDING OFFICER. That may be done.

Mr. JOHNSON, from the Committee on Commerce, reported favorably the nomination of Kenyon Spaulding to be a temporary ensign in the Coast Guard of the United States.

Mr. ASHURST, from the Committee on Public Lands and Surveys, reported favorably the nomination of Henry A. Morgan, of Arizona, to be register of the land office at Phoenix, Ariz.

The VICE PRESIDENT. If there be no further reports of committees, the calendar is in order.

TREATY BETWEEN THE UNITED STATES OF AMERICA AND NORWAY

The Chief Clerk proceeded to read Executive C, Seventy-first Congress, third session, a treaty between the United States of America and Norway, signed at Oslo on November 1, 1930, which was considered as in Committee of the Whole, and is as follows:

[Ratified and made public December 20, 1930]

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to its ratification, I transmit herewith a treaty between the United States of America and Norway, signed at Oslo on November 1, 1930, exempting from liability for military service or any other act of allegiance during a temporary stay in the territory of the other party, all persons born in the territory of one party of parents who are nationals of the other party, and having the nationality of both parties under their laws.

As explained in the accompanying report of the Secretary of State, this treaty has been concluded in pursuance of the joint resolution of Congress approved on May 28, 1928, and omits, for the reason stated by the Secretary of State, any reference to naturalized citizens.

HERBERT HOOVER.

THE WHITE HOUSE, *December 15, 1930.*

The PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty between the United States of America and Norway, signed at Oslo on November 1, 1930, exempting from liability for military service or any other act of allegiance during a temporary stay in the territory of the other party, all persons born in the territory of one party of parents who are nationals of the other party, and having the nationality of both parties under their laws.

This treaty was negotiated in pursuance of the joint resolution of Congress, approved May 28, 1928, reading as follows:

That the President be, and he is hereby, respectfully requested to endeavor as soon as possible to negotiate treaties with the remaining nations with which we have no such agreement, providing that persons born in the United States of foreign parentage, and naturalized American citizens, shall not be held liable for military service or any other act of allegiance during a stay in the territory subject to the jurisdiction of any such nation while citizens of the United States of America under the laws thereof.

In view of the provisions of the existing naturalization treaty between the United States and Norway it was deemed unnecessary to enter into a new agreement concerning natives of either country who, after acquiring naturalization in the other, desire to visit their native country.

Respectfully submitted.

HENRY L. STIMSON.

DEPARTMENT OF STATE,
Washington, December 12, 1930.

The President of the United States of America and His Majesty the King of Norway, being desirous of regulating the liability for military service and other acts of allegiance for persons who are nationals of both countries, have decided to conclude a treaty for that purpose, and have appointed as their plenipotentiaries: The President of the United States of America, Laurits S. Swenson, envoy extraordinary and minister plenipotentiary of the United States to Norway.

His Majesty the King of Norway, Johan Ludwig Mowinckel, His Prime Minister and Minister for Foreign Affairs; who having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I.

A person born in the territory of one party of parents who are nationals of the other party, and having the nationality of both parties under their laws, shall not, if he has his habitual residence—that is, the place of his general abode—in the territory of the State of his birth, be held liable for military service or any other act of allegiance during a temporary stay in the territory of the other party.

Provided, that, if such stay is protracted beyond the period of two years, it shall be presumed to be permanent, in the absence of sufficient evidence showing that return to the territory of the other party will take place within a short time.

ARTICLE II.

The present Treaty shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Norway, and shall enter into effect after the exchange of ratifications at Washington.

It shall thereafter remain in force for a period of ten years. If neither party shall have given the other 6 months' previous notice of its intention then to terminate the same, it shall further remain in force until the end of 12 months after either of the contracting parties shall have given notice to the other of such intention.

In witness whereof, the respective Plenipotentiaries have signed the present Treaty in duplicate in the English and Norwegian languages and have thereunto affixed their seals.

Done at Oslo this first day of November in the year of our Lord one thousand nine hundred and thirty.

JOHAN L. MOWINCKEL [SEAL]
LAURITS S. SWENSON [SEAL]

Mr. BORAH. Mr. President, this treaty was reported unanimously by the Committee on Foreign Relations. It is designed to exempt from military service or other act of allegiance during a temporary stay in the territory of the other party all persons born in the territory of one party of parents who are nationals of the other party, and having the nationality of both parties under their laws.

The treaty was reported to the Senate without amendment, and the resolution of ratification was read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, Seventy-first Congress, third session, a treaty with Norway exempting from military service or other act of allegiance certain nationals, signed at Oslo, November 1, 1930.

The resolution was agreed to, two-thirds of the Senators present voting in the affirmative.

DIPLOMATIC AND FOREIGN SERVICE

Mr. MOSES. I ask unanimous consent that in the consideration of the calendar we shall begin with Calendar No. 619 and proceed through the calendar, and then return to the nominations upon which we were acting under the unanimous-consent agreement.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Chief Clerk read the nomination of Henry H. Balch to be consul general.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

The Chief Clerk read the nomination of George D. Andrews, jr., to be secretary, Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

THE JUDICIARY

The Chief Clerk read the nomination of Paul H. Creswell to be United States marshal, southern district of Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

RECORDER OF DEEDS, DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Jefferson S. Coage, of Delaware, to be recorder of deeds.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

REGISTERS OF THE LAND OFFICE

The Chief Clerk read the nomination of Richard P. Imes, sr., to be register of the land office, Billings, Mont.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

The Chief Clerk read the nomination of Murdock D. Nicholson to be register of the land office, Great Falls, Mont.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. MOSES. I ask unanimous consent for the confirmation en bloc of all postmaster nominations on the calendar.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

Mr. MOSES. Mr. President, I ask further unanimous consent for the confirmation of such nominations of postmasters as have been reported to-day. I make that request because several Senators, in handing to me the slips containing the nominations, have said that they desired to propose unanimous-consent requests on behalf of nominations in their own States, and I have assured those Senators that I would make the request for the committee as to all nominations which have been made to-day.

Mr. ROBINSON of Arkansas. Mr. President, I inquire of the Senator from New Hampshire whether these several nominations have all taken the usual course and been presented to the Senators?

Mr. MOSES. Each individual report which has been made to-day bears the initials of the Senators from the States where the nominees reside.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations for promotions in the Navy.

Mr. HALE. Mr. President, I ask that the nominations in the Navy be confirmed en bloc and the President notified.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

FEDERAL POWER COMMISSION

Mr. COUZENS. Mr. President, under the unanimous-consent agreement, the first thing to be taken up was the nomination for membership on the Power Commission of George Otis Smith.

The Chief Clerk read the nomination of George Otis Smith, of Maine, to be a member of the Federal Power Commission.

Mr. WAGNER. Mr. President, will the Senator yield for a unanimous-consent request? I do not think it will involve any discussion.

Mr. COUZENS. I yield.

Mr. WAGNER. I ask unanimous consent that the Senate take up the consideration of the confirmation of Eugene Meyer——

Mr. COUZENS. Mr. President, I would have to object to that. There is going to be considerable discussion of that nomination.

Mr. WAGNER. I do not mean now; the Senator has not heard my request. I ask that we take up the nomination the first day the Senate goes into executive session after the Christmas recess. I have consulted the Senator who is opposed to this nomination, and the request is agreeable to him.

Mr. BROOKHART. It is agreeable to me, and I presume also to the Senator from Michigan, providing we succeed in concluding the consideration of the nominations for the Power Commission.

Mr. WAGNER. Of course, the Power Commission nominations have precedence.

Mr. BARKLEY. The Senator from New York will be reminded that we have already entered into a unanimous-consent agreement to take up the nominations for the Tariff Commission on the 9th of January, and if that should be the first executive session we hold after the recess the request of the Senator from New York would interfere with that.

Mr. WAGNER. That will come on Friday of the week we meet, and I dare say we will have an executive session before that day.

Mr. BARKLEY. I think the Senator would have to modify his request so that if that was the first session it would not interfere with the unanimous-consent order already entered.

Mr. WAGNER. I ask that there be included in the request the provision that in the event the first executive session should come on January 9, the consideration of the Meyer nomination follow immediately the consideration of the Tariff Commission nominations.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. COUZENS. Mr. President, for the purpose of informing the Senate briefly as to how far the Interstate Commerce Committee went in examining Mr. George Otis Smith, a nominee for appointment on the Federal Power Commission, I wish to point out, on page 1 of the hearings, which were held on December 11, that the chairman of the committee propounded the following question:

> Mr. Smith, will you tell us, to begin with, what your occupation has been for, say, the last 20 years?
>
> Mr. SMITH. Mr. Chairman and gentlemen of the committee, I have been in the Government service ever since I left the university, and in connection with the United States Geological Survey, first, from 1896 to 1907 as a geologist, and after that date as the administrative head of the survey, Director of the United States Geological Survey, with the exception of one year when I was a member of the United States Coal Commission. From that year's leave of absence from the Geological Survey I went back to my former position and now hold that position.

That, briefly, summarizes the activities of Mr. George Otis Smith. In the hearings there will be found a record of many questions propounded and answered with respect to his views as to the regulation of power transmitted in interstate commerce.

The committee reported Mr. Smith's name unanimously, with the exception of the junior Senator from Washington [Mr. DILL], and I understand the Senator from Washington has something to say in regard to the matter. Therefore I will defer any further statement at this time.

Mr. DILL. Mr. President, before I discuss my objections to Mr. Smith, I want to call attention to what the situation under the laws now on the statute books is regarding the disposition of the power sites covered by the statute and the regulation provided for in the statute.

When Congress passed the water power law some years ago it followed the principle that the Government would perform the administrative act of leasing or disposing of the use of the power sites over which it had control through the administrative branch of the Government.

All of our public lands, and all of the resources connected with them, have always been disposed of through the Presi-

dent or his departments. So, in providing for the disposal of this resource, the water power, Congress, in my judgment, wisely provided that that should be done through a commission composed of certain members of the President's Cabinet, and thus ex officio that commission existed at all times, and whatever it might do was directly chargeable to the President of the United States.

Because of that, in my judgment, the commission which has handled these resources has been extremely careful in the granting of power permits. Their action directly reflected upon the President of the United States, and they have been quite slow to do anything which would in any way make it appear that the President of the United States was disposing of the use of these resources in any way except in the best interest of the public as a whole.

Because that commission has failed to perform one part of its duties the President of the United States recommended that the disposal of the use of the water-power sites of this country should be placed in a commission, and he would be freed from the responsibility. So, the Congress enacted a law providing that this work in the future shall be done by what is known as the water power commission, appointed by the President and confirmed by the Senate.

I need not discuss here the matter of responsibility to the people on the part of the commissions of the Government. They are a hybrid creation, in that their duties partake of the nature of the administrative, the judicial, and almost the legislative itself. They are responsible to nobody directly. Nobody is directly chargeable except themselves. The President names them and the Senate confirms them, and thereafter they hold office until the end of their terms. Their records are never submitted to the people of the country and nobody can be held directly responsible for what they do.

Congress having taken that step, the President sends here the names of the men who are to act as commissioners on this great body. I submit there is no problem confronting the American people to-day which so concerns their future welfare as the disposal of the water-power resources of the United States. Certainly no body of men should be of a higher order of ability, should be more free from even the suspicion of sympathizing with the great power monopoly which is reaching out its tentacles all over the Republic and seeking to grapple into its control the great power companies of the Nation. I submit that no body of men should be more free from suspicion of connection with the Power Trust than this great commission.

It has duties of two kinds to perform. One is the granting of permits. Under the decision of the Attorney General, if it were to be followed, the commission would find that in its discretion it could grant minor permits for a large percentage of the power sites, because they are not upon streams which would be considered navigable in the full sense of the word, and under those minor permits there is no regulation and no control except as to the matter of the flow of water. However, I think that was a strained construction and I do not believe the courts will sustain it when it comes to the courts.

The second kind of work is fixing the amount of net investment which shall be determined at the end of 50 years finally in case the Government desires to recapture the power sites and power plants. It is the failure of the present commission to do that work concerning the accounts which have already been submitted that has brought about the change in the law to have a power commission appointed by the President and confirmed by the Senate. I shall not go into these problems in detail other than to say that the decision, particularly on some of those questions now before the commission, will affect the entire future policy of the country, probably as to taking over the power sites in the years to come, and will also fix a rate basis upon which rates may be regulated.

When the name of Mr. Smith was sent to the Senate, knowing his record as Director of the Geological Survey, I thought that he was well qualified for the position. It was a matter of disappointment to me to find in his answers to the questions asked him that, in my judgment, he would not be fair to all the interests concerned before the commission. I have known him for many years. While I was in the House of Representatives my association with him was most pleasant. Since I have been in the Senate I have found him an able and efficient administrator.

But when he was before the committee and questions were propounded to him as to his attitude regarding these matters, it seemed to me that the man was so anxious to prove that he was not in favor of municipal ownership that he leaned over backward on the proposition; that if he is on the commission he will be primarily concerned about proving that he is not interested in municipal ownership. The fact of the matter is that in answer to a question propounded by the junior Senator from New York [Mr. WAGNER] he stated clearly that he would place the burden of proof upon the municipal applicants. I want to read what he said about it, and then I want to show also the opportunity we gave him to clear up that point and how he still clings in his own mind to his prejudice against the idea of municipal ownership.

Let me say that I have no desire to see a commission made up wholly of men who believe in municipal ownership. The fact of the matter is, I do not believe that such a commission could be secured and I doubt if it would be good for the country if it were secured. But the law under which the commission is to act gives preferential rights to municipal applicants or applicants municipally owned, and that law should be carried out in the intent and spirit of Congress.

In the midst of the hearings, on page 30, the Senator from New York [Mr. WAGNER] asked Mr. Smith this question:

SENATOR WAGNER. Take our own State of New York. Suppose there were an application before the commission for the diversion of water, which is authorized under a treaty, both by the State of New York, which wanted to go into the venture of generating electricity itself, and therefore establishing its own plants, and by a private company seeking the same diversion. Do you suppose, because of your convictions on the subject generally, as I heard them this morning, that subconsciously, perhaps, you would be likely, because of your aversion to public operation, to favor the granting of a license, rather, to the private companies, as against the State?

Mr. SMITH. As I understand the law, I do not believe I would be permitted to do it, and whatever I did I would do consciously, one way or the other. But I think the law favors, and expects the commission to favor, the publicly operated plant.

Senator WAGNER. Do you understand the law to be absolutely mandatory, if there is an application by both a State and a private company?

Mr. SMITH. It says, "preferentially."

Senator WAGNER. I appreciate that but in view of your own convictions, that it would be for the welfare of the State to have private interests operate, rather than the State itself, do you think that your own views would be very persuasive in deciding the question as to whether an individual or the State should receive the license, as I think it is termed?

Mr. SMITH. I think that matter would be before the commission, and I would not ask to be excused by reason of previous prejudices. I find, Senator, that it is easier to change my mind than it was some years ago.

Senator WAGNER. I am quite confident that you would express a view one way or the other, but I say, in view of the opinion you hold, would you be inclined to favor private operation?

Mr. SMITH. Other things being equal. All those conditions would have to be shown in the consideration by the commission of such a proposal. I would expect that the burden of proof in my mind would be on the publicly operated plant.

Remember, he does not say that he would construe the cases as they were brought to him, but says the burden of proof would be upon the publicly operated plant.

Senator WAGNER. That is, you would have to be convinced?

Mr. SMITH. Yes; but against that would be the fact that the law states the preference the other way. Possibly those two would offset each other.

By his own statement he does not go on this commission as a fair-minded man, but he goes there prejudiced. The law must be strong enough to overcome his prejudice.

Senator WAGNER. Where the law is not absolutely mandatory, these so-called preferable considerations, I find, have very little influence upon any public body as against a view held. The reason I ask is because we probably will come right up against that question in the consideration of the St. Lawrence development.

Then I interrupted and asked if I might read the statute, and I read it as follows:

SEC. 7. That in issuing preliminary permits hereunder or licenses where no preliminary permit has been issued and in issuing licenses to new licensees under section 15 hereof the commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the commission equally well adapted, or shall within a reasonable time to be fixed by the commission be made equally well adapted, to conserve and utilize in the public interest the navigation and water resources of the region.

I invite attention to the language of the statute. It not only provides for preference as between two applicants, the one representing a municipality or State, and the other private, but it says that if in the judgment of the commission the application of the municipal or State plant is not equal, the commission shall give the State or municipality the opportunity and time to make their proposition equal. Congress has been not only lenient, but it has gone as far as the law can go to see to it that the commission shall give preference wherever possible to the municipal or State plant which is an applicant, and if they are not equal when the applications are made, then it gives the commission the right to permit the municipal or State applicant to make the conditions equal.

Then I added:

I wondered if you had clearly in mind that wording when you answered Senator WAGNER that the burden of proof would be on the publicly owned company, or the publicly owned applicant.

Mr. SMITH. Of course, I offset that by the fact that I would give consideration to that preference in the law. That preference is more explicit there.

Senator DILL. It is mandatory, is it not? It says "shall give."

Mr. SMITH. Yes; and it states the conditions.

Senator WAGNER. There is a discretion left there. There is no doubt about that.

Senator DILL. Yes.

Mr. SMITH. But it contemplates, if conditions are not equal, making them equal. There is a definite course of action set forth there.

Senator DILL. There is no question of the intent of the law. Congress discussed it for 10 years. There is no question about the intent of the law, that preference shall be given, and they will be given every opportunity to show that they are equal. That is why I am very much concerned about your answer.

Mr. SMITH. I think my individual slant with regard to the burden of proof would be to demand, if I have the authority, that those conditions be equal.

Senator SMITH. Mr. Smith, do you interpret what Senator Dill has read as being an order from Congress, embodying those words, and do you consider that Congress looked upon granting that preference to municipalities and States as being the medium through which the public could be best served? Is that your interpretation of it?

Mr. SMITH. Of course, that is the purpose of putting that into the law.

Senator SMITH. What I was trying to get at was this: Congress, after having discussed this thing for half the time I have been here, has finally worked out a statute in which it has declared that in the allocation of these water sites the public—that is, municipalities and States—shall be given the preference. Now, it is natural to suppose that Congress thought that these municipalities and States could better serve the public than could private interests. That seems to be contrary to the position you took this morning, in that you thought, perhaps, that, everything being equal, the private interests could the better serve the public in the distribution of the benefits of these water concessions.

Mr. SMITH. That was my general position then, and it is my general position now. But, of course, you must in both cases insert the proper degree of regulatory control, which is vested in some governmental body. Without that, neither can give the best results.

Senator DILL. Mr. Smith, I do not see how a member of this commission can allow his opinion as to the relative value of public or private ownership and operation to have any influence. His only right, under this law, is to determine whether the public application offers equal basis of for conservation and development of these resources.

I invite attention to the fact that even after all this discussion Mr. Smith still insisted that his personal opinion must be overcome by the law. He will not be on the commission to give fair consideration as such, but says that he will give preference only because the statute says so, and then he would make the applicants be equal and his belief that private ownership and development is better than public ownership will still be in his mind and it must be overcome either by the burden-of-proof theory or by the language of the statute.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from California?

Mr. DILL. I yield.

Mr. SHORTRIDGE. Does not Mr. Smith in effect sum up the whole matter that regardless of his individual views he will follow and carry out the law? Does not he say that in sum and substance?

Mr. DILL. Senator WAGNER answered that better than I can; so I am going to read what he said:

Senator WAGNER. You may think we have gone into a foreign arena in our discussion but I do not think so. I think it is very important to know the philosophy a particular candidate entertains in dealing with a subject as important to the public welfare as this; and with your antipathy toward public operation, I was somewhat concerned.

That is the reason why I wanted to develop that thought. That is my answer to the Senator from California. If a man is willing to say he would lay aside all his opinions, all right, but Mr. Smith does not say that.

He says he will carry out the law where it is mandatory, but if he goes on this commission he will go with the belief that it is better for the people of the United States to have private ownership wherever possible, and that means that he is going to carry out the theory of private ownership so far as he dare do so under the law.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Nevada?

Mr. DILL. I yield to the Senator.

Mr. PITTMAN. There is a question of discretion under that act. At the time we had this same provision under discussion before the Secretary of the Interior in the matter of the allocation of the power at Boulder Dam the direct question came under consideration there. The legal adviser to the Department of the Interior held that a municipality would have no right at any time to distribute any power outside of the borders of the municipality. He also held that a private corporation would have the right to sell power both in and outside of the municipality, and that the provision as to the plans being equally beneficial did not mean plans for dam and power house alone but that there might be taken into consideration also which would supply the largest community. So it was held a private corporation having ability to supply the people of a municipality and those in the country surrounding it and a municipality having the power to supply only within its own borders, that the plan of the private corporation was better than that of the municipality.

That question was raised where the State of Nevada claimed it had a prior right over a private corporation to use power, the plans being the same, and that it had the right to sell power outside of the municipality when there was no demand for it by the municipality; but the adviser of the Department of the Interior said they could not sell any power outside. He was then asked if a private corporation supplying power inside a municipality could supply it on the outside at the same time. His answer was "Yes." Of course, if that interpretation is maintained, and the number to be supplied with power is the determining factor of the benefit to be derived in every case, in the event of conflicting applications between a private corporation and a municipality, the private corporation is bound to prevail, because it has, under that opinion, the right to sell both in and outside, and therefore serve a larger community.

I do not agree with that construction at all, but that construction has been adopted by the Department of the Interior on the advice of counsel for the department. If the same advice were given to the Power Commission, then Dr. George Otis Smith could hold, in the event of conflicting applications as between a municipality and a private corporation, that the plan offered by the private corporation was better because it not only expected to furnish the municipality with power but the people on the outside of the municipality.

I simply refer to that to show how the discretion may be used.

Mr. DILL. Mr. President, I thank the Senator for his illuminating statement. I want to read a little further from what the Senator from New York [Mr. WAGNER] said:

> If you read the opinions of judges upon the bench upon questions involving great public interest, public policy, police powers, and so forth, in nearly every opinion the philosophy which the particular judge entertains toward those questions is reflected, and it determines the result. So we are not getting into a philosophical atmosphere at all. It is a very practical inquiry, I think, that I wanted to make of you.

Then he went into a discussion of the situation in New York State, which I will not take the time to read.

Mr. President, I do not want to delay action on the nomination unduly, but I remind the Senate that Mr. Smith is appointed for a 5-year term, and is to be chairman of the commission. For my part, the only chance I have to do anything about giving away the use of the power sites for the next five years, so far as Mr. Smith is concerned, is now. If he were going on the commission for just a year, I do not think I should oppose his confirmation; I should think that at the end of one year we would have sufficiently found out his tendency and his bent of mind in passing on these great questions; but he is to go on the commission for five years, and, because he has been the head of a Government bureau, he has a bureaucratic attitude and the bureaucratic spirit of being arbitrary in his decisions. I think he is an unfit man to take this place, unfitted by his temperament, unfitted by his attitude, unfitted by the viewpoint of the position he is to hold regarding the granting of permits for the development of hydroelectric power.

I want to call attention to the fact that some years ago, when the fight was on in the State of Maine—the Senator from Montana [Mr. WHEELER] has developed this point—and the people there were voting on the question of whether or not they would enact a law to prohibit the exportation of power beyond the borders of Maine, Mr. Smith wrote a series of articles to persuade the people that they should vote against that proposed law and that they should permit the power made in their States to be distributed throughout New England and throughout the country. The people of Maine, however, voted the other way, and as the result Maine is building up a great line of industry within her own borders. When Mr. Smith took this position I doubt not that he was honest; I doubt not that he was fair in his own mind; but it shows his bent of mind; it shows that in his bent of mind, and in his tendencies he has grown stronger and stronger, and every opinion he expresses is as fully in harmony with the desires of those who are building great power projects in America and trying to extend over the world as though they had chosen him themselves. For my part, I shall not vote for the confirmation of any man of such bent of mind for appointment to the Federal Power Commission, which I think is the most important commission in the whole country so far as the future development of hydroelectric power is concerned.

Now, Mr. President, I want to call attention to another phase of this subject. The present Power Commission has had as its executive secretary a man by the name of Bonner. Mr. Bonner appeared before the Interstate Commerce Committee at earlier hearings, and I do not think I have ever seen a man who was as unfair in his view of the public interest and as little concerned with the effect upon the future public interest in connection with the great power companies and the power sites as was Mr. Bonner. His whole management of the work of the Power Commission has been one of suppression and pushing aside of the views of his subordinates and of those under him and trying to keep away from the commission anything that would cause it to decide the questions that came up in the interest of the public.

I am not going into the details of any one of these things; there is a whole series of them; but a few days ago he made a speech in New York before some engineering society in which he took the position that the Federal Government should relinquish, so far as possible, its control of the great power sites and its control of power in every way and turn it over to the States, going back to the old theory of letting the States have the power sites and use them as they have done with other resources, and the people lose them. When we questioned Mr. Smith on that proposition he immediately dodged by rising in his dignity and saying he never made a pledge to anybody and he could not make a pledge now; and so he dodged that question.

Then when I tried to get his viewpoint as to the practices of some of the power companies in connection with their accounting which has to be approved by the commission, he immediately dodged again and said he did not know the conditions.

Not until I presented the supposititious case—of a company that has a power permit and in financing the building of the project leaves the financing to a subordinate company and pays that subordinate company an immense commission, and it is later found that the subordinate company to which the financing contract was let is owned by the original company, and I asked him whether if such an account came before the commission he would be willing to allow the commission thus paid as a part of the expenses of the undertaking—did he reply, and then he said: "Well, on that bald statement, I would not, but there are always conditions and surrounding circumstances." He began to hedge to try to get away from it.

The whole attitude of the man is that of a bureau chief who proposes to take this position and run it as he pleases, interpreting the law to suit himself, and I doubt not if he is confirmed in this office he will do that. For my part, if he becomes the chairman of the Federal Power Commission I do not expect to see the public given anything that the law does not compel the commission to give them, so far as he is concerned. His years of study and action on this question have caused him to take the side that the great power companies of America want the members of the commission to take, and, in my judgment, his whole attitude will be, whenever he can, to resolve the doubt against the public and in favor of the great power companies. He will be found against the public interest. For that reason I have opposed his nomination.

I wanted to state these facts before the Senate because this is the only chance that the American people have to know what is to be done with their power sites. Heretofore if the President, through his Cabinet, gave them away, the people could take care of the President at the polls; but the Federal Power Commission has within itself the power to be administrator and judge and make the final award as a jury, and the opinions of the commissioners as they hold them, when they are prejudiced, as Mr. Smith's opinions clearly are, must necessarily affect the action they must take. For my part, I shall vote against his confirmation, and I hope a majority of the Senate will do likewise.

Mr. CUTTING obtained the floor.

Mr. KING. Mr. President, will the Senator yield for a moment?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. CUTTING. I yield.

Mr. KING. I wish to ask the Senator from Washington a question before he concludes. I want to ask the Senator whether the law—I have forgotten many of its terms—gives to the commission unrestricted discretion to award the power sites to whom they please?

Mr. DILL. No; it does not. I read that section of the statute; the Senator may not have been present at the time. It is section 7, and, in a word, it provides that the preference shall be given to municipal applicants or a State; and that if the conditions are not equal, then the State or municipality shall have opportunity to make them equal.

Mr. KING. Upon the theory that the commission abused their discretion, would an appeal lie to the courts?

Mr. DILL. I doubt it. I doubt if an appeal would lie, except possibly in the case of such a very grave abuse of discretion that it was clearly in defiance of the law, but certainly not in any case of ordinary abuse of discretion.

Let me say just one other word, since I have been asked the question. We talk much about regulation of rates of electricity in the country. Practically every State in the

Union has some kind of a commission to regulate rates, but the fact of the matter is that the really effective regulation of rates for the people of this country comes from the competition of municipally owned plants. Even the most ardent opponent of municipal ownership as a principle must recognize that where the municipally owned plants in towns and cities exist they act as the real regulators and protectors of the people against high rates even for those in cities that have private companies furnishing them electricity. There is no regulation that compares with them; and the provision of the law that guarantees to a municipality the right to come to the commission and secure a preference to build its own plant is, in my judgment, the most valuable provision in the entire water power act. The very fact that it exists is a club that makes the private companies treat the consumers more fairly. Talk about having commissions that will regulate rates on the basis of values! When we remember what the Supreme Court of the United States has been doing about public utilities we can recognize how little real protection there is in any such method of regulation.

In my State there is more undeveloped water power, I think, than in any equal area in the world, because the Columbia River falls 1,300 feet from the time it enters the State at the Canadian border until it reaches the ocean. There are seven dam sites on that river, any one of which will produce half a million horsepower at low water.

The real regulators of rates are the municipal plants at Tacoma and Seattle. The fact that there are municipal plants in those cities, which keep down rates, acts as a regulator beyond anything our public-service commission ever has done or ever will do.

The fact that our towns and since the last election the people in the country districts, too, of our State may form municipal districts and build power plants or establish their own distribution systems is a protection to them that can not be had from the courts or from any public officials. Unless the Power Commission, that has charge of the granting of the use of these power sites, in the future is willing to carry out the intent and purpose of the law you will be taking from the whole people of the United States the power to have these little municipal plants here and there throughout the country that will in effect be their protection against exorbitant rates for electricity.

I need not remind you that electricity has become, next to food and water, clothing and shelter, and clean air, the greatest necessity of mankind. We are just in the beginning of the use of electricity; and it seems to me Congress ought to be especially vigilant in having on this commission men who will guard the interests and rights of the public in connection with the use of power.

Mr. CUTTING. Mr. President, I do not intend to make a speech or to discuss this nomination in any particular way. I have nothing personally against Mr. George Otis Smith. I have known him for some time, and my relations with him have been exceedingly pleasant. What I do want to emphasize is the danger of the Senate confirming nominations of this kind with the slight information which seems to be before us.

There are no positions which the President can fill which may be of such vital importance to this country as these positions which we are now confirming in a hurry at the last moment of the session.

It is not necessary for any of us to go into the record of the power trust during the last few years; but I desire to call the attention of the Senate to the evidence which has been submitted in the last few days before the committee headed by the junior Senator from North Dakota [Mr. NYE], which shows the power trust taking an active hand in the election of Members of this body.

They have gone so far as to use the services of the executive director of the Republican National Committee in order to elect a Democratic Senator running against a Republican. I doubt if any analogy to that situation exists in the entire history of American politics.

I see sitting before me the distinguished Senator from Ohio, the chairman of the Republican Committee; and I should like to ask the Senator whether there is any foundation to the rumor that Mr. Lucas has handed in his resignation.

Mr. FESS. Mr. President, is the Senator serious in that inquiry?

Mr. CUTTING. I am.

Mr. FESS. I have no information whatever in that matter.

Mr. CUTTING. Does the Senator intend to take any stand in the matter of Mr. Lucas?

Mr. FESS. The Senator does not.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. CUTTING. I yield.

Mr. COUZENS. Is not that a demonstration that if you want to get any real good job done, all you have to do is to go to the Treasury Department to get it done?

Mr. CUTTING. I am inclined to agree with the Senator; but I think this situation is an exceedingly serious one.

Mr. SHORTRIDGE. Mr. President, I ask the Senator to suffer a question.

Mr. CUTTING. I yield to the Senator.

Mr. SHORTRIDGE. What relevancy have the remarks of the Senator to the matter before us? Will he have the goodness, as a logician and scholar, to point out the relevancy or materiality of his observations as bearing upon this nomination?

Mr. WHEELER. Mr. President, a point of order.

The VICE PRESIDENT. The Senator from Montana will state his point of order.

Mr. WHEELER. I was going to ask the Chair to require the Republicans to air their differences a little louder, so that we can hear them over here.

Mr. CUTTING. Mr. President, in reply to the Senator from California, I will say that he must be aware, as everyone else is aware, that the money which was put up to elect a Democratic Senator in Nebraska came in large measure, at any rate, from the power interests and people allied with them. The evidence to that effect is too strong for anyone to deny. It seems to me entirely relevant, when we are asking or seeking confirmation for these appointees, to find out whether they, in turn, may not have been as closely connected with the Power Trust as the executive director of the Republican National Committee apparently has been.

Mr. SHORTRIDGE. Mr. President, will the Senator permit me a brief rejoinder?

Mr. CUTTING. I yield.

Mr. SHORTRIDGE. It appears here by the evidence and by the statement of the thoughtful Senator from Washington that Mr. Smith under oath substantially, if not literally, but at any rate as a gentleman before a committee made up of gentlemen, asserted again and again that he would observe the law and endeavor to carry out the law in its true spirit as reflected in its very words, and as emphasized, perhaps, by the proceedings in the Congress which enacted that law. Now, if he is an honorable man and a capable man, is it suggested that he would be approachable by any of the companies referred to by the Senator from New Mexico?

The Senator from New Mexico entertains well-defined views in regard to public questions. If he were named for a given position, I might not agree with his views; but would I vote against him if he asserted, as I know he would assert, that if confirmed and occupying a given office he would observe and carry out the law according to its true spirit and purpose? If Mr. Smith be of the character I have attributed to him, may we not rely upon him to do his duty fixed by the law and under his oath?

Mr. CUTTING. Mr. President, may I ask the Senator from California whether he would expect Mr. Smith, or any other nominee to any position, to go before a senatorial committee and state that he did not intend to administer the law according to its meaning?

Mr. SHORTRIDGE. Why, certainly not; but it is conceded that he is an honorable man, and I can not assume that he would commit perjury or do what an honorable man would not do.

Mr. CUTTING. The trouble, of course, as the Senator is entirely aware, is that in all these matters the question is

one of the interpretation of the law, upon which honorable men may honorably differ.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. CUTTING. I yield to the Senator from Illinois.

Mr. GLENN. Referring to the statement made by the Senator from New Mexico about the failure of the executive director of the Republican National Committee to support a Republican nominee in Nebraska, I desire to call the attention of the Senator to the fact that it was also publicly stated throughout the press of the United States that the Democratic National Committee, being called upon to aid in the election of the Democratic candidate for the Senate in Nebraska, failed and refused to do so because the Republican nominee had supported the Democratic candidate for the Presidency. Does the Senator from New Mexico think that the action of the Republican official was any worse than that of the Democratic official?

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Maryland?

Mr. CUTTING. Yes; I yield to the Senator.

Mr. TYDINGS. I know that the Senator from Illinois does not wish to make a misstatement, but he has inadvertently made one.

I happen to have been chairman of the Democratic senatorial campaign committee during the last election. I sent word to former Senator Hitchcock that if he wanted any of Senator NORRIS's record we would be very glad to send it to him.

Mr. NORRIS. He did not want that.

Mr. TYDINGS. Some time after that there was a statement put in the paper that the Democratic committee was helping Senator NORRIS, and was opposing Senator Hitchcock. In order to show that we were with all Democratic nominees, I sent Senator Hitchcock a check for a thousand dollars to help in his campaign. Senator Hitchcock returned my check, stating that he always believed in limiting campaign funds; he was able to finance his own campaign; he thanked us for supporting him, and had no further call upon the services of the campaign committee. So, instead of helping Senator NORRIS, we made no gesture, financial or otherwise, to assist in his election; and we did for Senator Hitchcock, or offered to do for him what we had done for every other candidate on the Democratic ticket.

I will say, however, that many Democrats felt that, in view of Senator NORRIS's support of candidate Smith—and I might number myself among that group—we were in a very delicate position. We did not want to appear to be ungrateful to Senator NORRIS or to stab him in the back after he had made such a magnificent gesture; but when we were confronted by the fact that we had to have parties, and here was our party nominee, we determined finally that we would render to Senator Hitchock all the proper aid that the committee could render to him.

Mr. GLENN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Illinois?

Mr. CUTTING. I do.

Mr. GLENN. I think the Senator from Maryland confirms the fact which I stated, that wide publicity was given to the failure, at least for a time, of the Democratic National Committee to get enthusiastically behind the candidacy of the Democratic nominee in Nebraska. I think, perhaps, the publicity to which I refer may have had something to do with the final decision of the Democratic managers to come to the support, or at least to offer to come to the support, of the nominee in Nebraska.

I can appreciate, of course, the embarrassment which the Democratic Party felt in opposing the distinguished Senator from Nebraska, because I think we all know that no one in this Chamber has rendered the Democratic Party more aid during this administration, at least, than the distinguished and able Republican Senator from Nebraska.

Mr. TYDINGS and Mr. HOWELL address the Chair.

The VICE PRESIDENT. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CUTTING. If there is going to be this discussion, I will ask the Senator from Maryland to speak in his own time.

The VICE PRESIDENT. The Senator declines to yield.

Mr. CUTTING. My only interest in this matter was to bring up this point at this time, when nominations for the Power Commission are before us. While the Senator from California asserts that this is irrelevant to the issue, it seems to me exceedingly relevant; and in view of the statement just made by the National Republican chairman, the Senator from Ohio [Mr. FESS], I really think there is no need for me to elaborate the relevancy of the point.

Mr. HOWELL. Mr. President, it has been suggested by the able Senator from Illinois that there might be some reason for the Democratic Party to have supported the Senator from Nebraska [Mr. NORRIS] in the last campaign, and for that reason we should not complain of the attitude of Mr. Lucas, who was the acting head of the Republican National Committee during the campaign. But let us consider the facts.

I have not before me at this time copies of the literature that was sent to Nebraska, but I am sure there is not a Senator here who in a campaign would want to father any such anonymous literature.

Mr. Lucas as an individual did not want to father it. But he testified that he spent $800 of his own money to provide this literature and send it to some one in Nebraska, who could not be located, though it finally reached the hands of the so-called Democratic-Republican committee, and that committee, after it had visaed that literature, refused to send it out. Yet Mr. Lucas, who was practically the head of the Republican National Committee, would have sent out that kind of literature, and he does not see any impropriety in his attitude. Moreover, he "heroically" defends his attitude as worthy of the titular head of the Republican national organization.

I have served on the Republican National Committee. I was a member of that committee for 12 years and a member of the executive committee for 8 years. I have never known of a case of this character before, and it seems to me that if the Republican National Committee has any respect whatever for its record, for its responsibilities, it will ask for Mr. Lucas's resignation immediately. The impropriety of his conduct is sufficient; but when we come to consider ethics and fair play, that throws so dark a shadow upon the whole transaction that there is no question as to what ought to result.

Mr. NORRIS. Mr. President, I had not expected to get into this debate. I had no knowledge that this question was to be raised. If I had, I would have had on my desk not only some of the literature but some of the sworn testimony that has been developed before the Nye committee. At some future date, when all the testimony is in, I expect to read to the Senate some of that testimony. I expect to show beyond a doubt that some high officials, some with reputations nation-wide, and some of them of a lesser grade, are guilty of perjury under their own sworn admissions. This literature, which the Senator from Illinois seems to think it was all right to send out——

Mr. GLENN. Now, Mr. President——

Mr. NORRIS. Is not only damnably false and malicious but it would be a disgrace to the meanest criminal if he had wanted to send it out under anybody's name.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. NORRIS. Yes; I yield.

Mr. GLENN. I did not say the literature was all right at all. I have not seen any of it, and I do not thoroughly approve the action of the executive director. I say it is no worse for him to do what he did than it was for other people, Democrats, to stand back of the Senator from Nebraska. I doubt also the propriety of the Senator from Nebraska, after opposing everything which this Republican administration has endeavored to do, after fighting the Republican administration at every step in the line; after opposing the Republican national candidate for the Presidency two years ago and going over the country stumping against him, to pose as a Republican in the last election.

Mr. NORRIS. Mr. President, the Senator can have his opinion. I do not care for it. I think when we analyze his positions we find they are not entitled to respect. I have no objection to anybody holding that opinion. I acted aboveboard. I did not creep under an assumed name. Nobody saw me cover up anything. I made an honorable fight, and I am not ashamed of it; I am not apologizing for it. I would do it again under the same circumstances.

History has demonstrated that I was right. My opposition to the Republican nominee came from two things, and I opposed him honorably. I never cast any aspersion upon him. I did not agree with him in regard to two issues which seemed to me to be the paramount issues of that campaign, namely, farm relief and power. History has demonstrated since that time that I was right in my position with regard to each of those matters. I grant to the Chief Magistrate, as I always do, sincerity of purpose, I grant to him the right to hold the views he holds, but it is demonstrated now that power is coming more and more to be one of the necessities of our modern civilization, and under my theory the President belongs to the other crowd, the Power Trust. He believes in it, as other honorable men do.

The President was opposed to farm relief, in which I believed. He had his own way later on with the bill he wanted, and we know what the result has been. I feel that I was justified, that history has demonstrated not only that I was justified but that I was right.

I am not objecting to anybody opposing me. I do not care if the Republican national chairman opposes me. I concede to him the privilege of doing so. But I want him to do it in the light of day. I do not want him to sneak around under cover and put out some literature to which he would not dare attach his name. That is what this man did, the testimony shows, under another name, concealing his identity. He paid the bill in currency, he says. I wonder whether anybody who heard him testify believes that. If it had been his money, he would not have paid it that way. He carried hundreds of dollars, six and seven hundred dollars, whatever the amount was, in his pocket, and he paid the bill that way.

Mr. DILL. Mr. President, I know the Senator wants to get that correct. It was $4,000 in cash.

Mr. NORRIS. Four thousand in cash! That is the way this man Lucas carries his money. He is like Cunningham, up in Pennsylvania, who carried the money in his pocket, and who said it was his own. Every man who heard him testify knew that he was not telling the truth, and I doubt whether there is a single one who heard Lucas testify who believed what he said. That is not the way business is done, under an assumed name. He said he had not any objection to anybody knowing it, and yet this committee was scouring the country to find out who sent that money, who paid that bill.

The committee had on the witness stand in Nebraska the treasurer who was the real manager, of the Hitchcock Republican Club. I have no objection to that club. I concede that those Republicans had a right to organize it to support my opponent. I find no fault with them. But the treasurer testified that there came to him, as I remember, 150,000 copies of this literature, without any name attached to it, scurrilous literature, some of it false in fact, some of it false through innuendo, without anybody fathering it. He did not know who sent it. He had no idea where it came from, he said under oath. They commenced to circulate it over the State; but, of course, in a country where I was somewhat known the ordinary person resented that, and the treasurer said he stopped the circulation because he thought it was doing more harm than good. There was no name signed to it—literature coming anonymously. That is the sin.

Why did not Lucas have the courage to send the literature around under his own name? He had it put on the books over here that this money was paid by another man. The committee has not been able to locate such a man. His address was given. Inquiry in Nebraska disclosed the fact that there was no such man in the building named, and never had been. All the time they were hunting for him this man Lucas knew the truth, he knew the committee wanted the truth, but he remained silent.

Is that what an honest man would do? Is that the position an honorable man would take? No; no honest man would do that. Public money was being spent in an endeavor to find out who it was that had contributed this money; but Lucas never did tell until the investigation got to the point where he could not help himself. When they were putting the witnesses on the stand how they hemmed and hawed, how they avoided giving an answer to the questions. It happened that there was present at the hearing a man who knew about the matter, saw what they were doing, whose conscience commenced to prick him—although he himself had covered it up before that—and he came out and told the truth; and then this man Lucas admitted it. That is the sin of it, that is the crime of it, a disreputable, a dishonorable, a damnable method, going before the people with a proposition of deception such as that.

On the face of it that letter purports to have been written on the letterhead of an organization down in New York, which in reality never existed, but part of the name was "Tammany"—"Young Tammany Scouts," or something of that kind. I understand that there never was such an organization. Nobody has been able to locate it. The letter was written to a supposed voter in the State of Nebraska—a typewritten letter. The voter's name, however, can not be deciphered, and if you think it just happened in that one copy get another one of the thousands that were sent and you will find the same blur on each one. Nobody knows the name. There was no name. There was no person to whom the letter was sent. There was no such organization as that appearing on the letterhead. It was intended to arouse the prejudice and the ire of prohibitionists and of religious people. I doubt if there is such a name in existence as that which was signed. It was supposedly sent to a Democrat, asking him to vote for me in the primary, stating that I had supported Smith and probably would again two years from now, and they needed my help.

There was a photostatic copy of this counterfeit letter, which never existed, scattered through the mails, sent to ministers and prohibitionists and Protestants to prejudice them and to mislead their minds and their hearts with a falsehood, a lie, and this man who paid for it admitted under oath that he did not know anything about whether such a letter actually had been written or anything about this organization. There was no investigation made to see whether it was genuine. The man who received it testified under oath that he did not know where it came from, but he circulated it, and never made any investigation. They did not care about it being false; they did not care about it being a malicious lie; no. That was the kind of politics this man who is supposed to be one of the leaders of the Republican Party was indulging in. That is what makes it damnable.

Now we come into the Senate and the Senator from Illinois says: "Why, that is no worse than somebody else has done." Suppose it is not? If that is a good defense, every man who was ever tried for stealing would be freed if he showed that somebody else stole. That is the way in which corrupt politicians always try to get out from under a charge. They say: "Somebody else did something else just as bad." Hell is filled with such criminals. That is no defense. I repeat, I make no charge and no accusation against any man, whatever his reason may be, who opposes me if he does it like a man instead of like a snake in the grass.

Senators, I have only told you a little of the story. That is the kind of a campaign that went on in my State. I never charged my opponent with participating in it. I do not think he did so. But that is only one item. I could go on and enumerate others. If the authorities do their duty there will be a lot of men who have been prominent leaders at one time who will be communicating with their friends through the bars. That is where they will go. They have committed perjury. I think they have violated the law in

sending some of this damnable stuff through the mails. Never once did it appear over their own name; not in a single instance; not once. Who is the man that can defend it? No honest man can defend it, whether he is in the Senate or outside of the Senate. No defense can be made for it. It goes beyond good citizenship. It goes beyond loyalty to our country. It is not my purpose even to defend myself. I do not think that is involved. I only say that incident is enough to show what was resorted to—a little bit of what took place. It is only a sample of the entire campaign that went on in the State of Nebraska.

There never were such damnable methods undertaken by any party or any individual so far as I have ever heard. I would like to see the man who pretends to be a good citizen and who is honest who wants to raise his voice in defense of those methods. Carry them to their logical conclusion, and we will destroy our liberties and our country. Carry them to their logical conclusion, and we will have no freedom; we will have no country. That is the way bolsheviks are made. That is the way criminals are encouraged to steal and rob. That is the way to organize an army of unpatriotic citizens who will hate law and who will always be opposed to government—to let the bigger men of the country go out with these damnable methods and control our country. What can we expect of the common citizen? What is the ordinary man in the street going to say?

It was illustrated in this very case. First, there had been circulated over the State, so the testimony before the Nye committee showed, something like one-half or three-quarters of a million copies of three little circulars signed "Loyal Republican League." That is a fine name—"Loyal Republican League." There was no other identification except a postscript on every one of the pieces of literature, which said that if anyone wanted some more he could send to a certain lock box in the post office. I suppose that is the way the committee found out who it was. At least I happened to be in the city of Lincoln when they had on the witness stand two men who had that box rented.

One of them testified under oath that he was president of the Loyal Republican League and the other man was secretary, and that they were the only members in the organization. That was an organization composed entirely of officers and no privates. They got it up themselves. They sent the circulars out through the mails. One of them at least was couched in language which I know, from the testimony of these men, neither one of them could compose. They were under oath. The president of that organization composed of two men with this big name sent the literature all over the State. I met the literature everywhere. They testified they were the only members of the organization.

One of those circulars was a little one asking certain questions. One question, in substance, as I remember it and speaking from memory, was: "How much did Senator NORRIS get for supporting Al Smith?" Another one said, "How much did Tammany pay Senator NORRIS?" or something to that effect. The chairman of the committee, when he had that man under oath—and this will show the intelligence of the man—asked, "What is Tammany?" The president of that great organization composed of two men, with the great name "Loyal Republican League," answered by saying that he did not know definitely, but he thought it was "some kind of a religious organization somewhere in the East." [Laughter.] He thought possibly it might be in Philadelphia. Yet he was the man who was the artist and who had the intellectual genius to write all of these circulars, as he said.

Then the chairman of the committee said, in effect: "You have charged Senator NORRIS with supporting Smith for money. We are investigating to find out about the expenditure of money. Tell us what evidence you have that Senator NORRIS received any money." He had to admit that he did not have any. Then the chairman said, "How do you justify this charge which you have sent out over the country?" He said, "Well, Senator NORRIS's support of Smith was worth something; it was valuable. He is a good business man and therefore I concluded he must have been paid for it."

There is the idea going to the ignorant man on the street. Where did he get it? He got it because he learned that men high up in official life are not true to their trust, that men who are running the great political parties of the country are not honest, but were resorting to practices which the committee has developed in the last day or two have been going on in the city of Washington. Naturally he said, "If the big man can sell out, if the big man can lie under oath, if the big man can practice deception, why can not I?"

Senators, I want to tell you that the evidence disclosed in the oil scandal when Fall and Doheny and Sinclair, with one exception, were vindicated at the hands of juries, when everybody knew they were guilty, has done more to encourage in the ordinary person a feeling of desperation and crime than any other one thing that could have happened. That is what is going on in politics. When the Republican Party will permit a man like this man Lucas to do the things he has done under cover, under disguise, under a false name, it throws out the intimation to every common citizen that it does not pay to be honest. "You had better lie, you had better be a perjurer; you will get along better."

That is what I condemn about it. That is what every honest citizen ought to condemn about it. We will, if we keep on, get a public conscience that will be seared, that can not be penetrated, and that will look with complacency upon crime and debauchery. That is where we get our anarchy. That is where we get our bolsheviks. The men who stand by complacently, the men in public life who will not condemn it, are the men who are guilty—innocently perhaps, unconsciously perhaps, but they are guilty of helping along this sentiment which overlooks crime and wrong and sin in high places. That is the objection I have and it is the only objection I have to the dirty work, the dishonorable work, the perjured work, that was going on in the last campaign.

I do not see how any man in the Senate can rise in his place and say it is justifiable, or give out any intimation that makes it justifiable, because I, in his judgment, am not a good party man. The people of the country are tired of "good party men." They know that is where crime and wrong get into high places. "Good party men," as ordinarily understood, are men who will cover up sin and debauchery and crime in their own party and disclose it only when they find it in the other party. That is doing more damage and more hurt to our Government and our civilization than any other one thing. "Conceal your own criminals" is the slogan. "Do not condemn the criminal who says he is a Republican or Democrat. Save the man from punishment, from condemnation, if he is a member of your party."

Senators get up here and say as a defense, "Senator NORRIS is not a good Republican." That is their judgment. I am the kind of a Republican who believes in exposing wrong and evil when I find it in my party just as quickly as though I found it in any other party. I can see no difference, not a particle of difference. I want to purify my party. I want to wash my own dirty linen. If we want the respect of the people, that is what we have got to do. Unless we do it we can not have the confidence or the respect of the honest men and women, and we will not deserve it.

That is what has made me a bad Republican. That is what has brought upon me condemnation. I could have avoided it many times. I have spoken out when I might have been silent, but I think one of the worst sins that can be committed, especially by a public official, is to remain silent when it is his conscientious duty to speak.

If that makes me a bad Republican, then I glory in being a bad Republican; I am not ashamed of it, and I shall live and die as such. Public office is not so sweet that it must be retained at a sacrifice of one's conscientious objections.

Why am I a bad Republican? Because I believed—I may be wrong—that farm relief and power were the major issues in a campaign and refused to support for President a man who, in my judgment, was wrong on both those issues; and, privately and confidentially, every man who knows the facts will, according to my viewpoint, admit that he was. A Power Trust man will, of course, think differently. After

all—and I am not going to take the time now to go into it, but I am going to read some of the evidence here some day—anyone who will get down to the bottom underneath the dirty campaign that has gone on in my State will find ninety-nine times out of a hundred that the real wolf in sheep's clothing was the Power Trust which is fighting me, but not because they cared a continental whether I was a Republican or Democrat. The same influences, the same powers, the same contributors that operated in my State went into Colorado and fought Costigan, who was running on the Democratic ticket, on the ground that he was not a good Democrat. They do not care what a man's politics may be; but they are delighted when they can secure the election of men who are blind to the political situation and to what we ought to have in the way of honest government, so blinded that they honestly think, as the Senator from Illinois [Mr. GLENN] evidently thinks, with perfect conscientiousness and perfect honesty, that a man who will bow the knee and bend the back and bare the head to the lash of a political boss and vote as he tells him is not a good party man. Men can believe that; many of them do, and they may be right; but if they are right, then I am wrong.

As to the Republican nomination in Nebraska, did any man ever say that I got it by a dishonorable act? Has it ever been charged that I did a single thing in the primary that was unlawful or dishonorable? I have not heard such a charge. Under the law I entered the campaign as every other man had a right to do. We fought it out. I won.

Will the verdict of the Nebraska voter be set aside by the man who sits in the Republican headquarters, in a swivel chair, doing the bidding of his masters? Will they let him override the verdict of the people and say, "this nominee is not entitled to the nomination," without even charging that he ever did anything wrong to get it? Who is going to determine whether one is a good Democrat or a good Republican? The opposition to me in the primary was dishonorable; that is conceded; it was as disreputable and dishonest as was the opposition to me in the election, and the election was conducted in the main by the same men and on the same issue that was foremost in the primary, so far as my opponent could make it so. The issue in the campaign was that I was not a good party man. Our people met the issue and decided it. Is the Senator from Illinois going to overrule their decision? Is he going to set himself up as a judge against the voters of the State who under the law selected a candidate for public office? If he is, he ought to go into Nebraska and make his fight; he ought to see how much headway he can make against an intelligent and patriotic people. It will be no defense to say, "You did not vote with Hoover," or "You voted against Hoover." If I were Hoover, if I occupied his place, and I thought there was a Member of this body who was so servile that he was willing to abdicate his convictions and do whatever I wanted him do to, willy-nilly, I would not have any respect for him, and if the President entertains a similar view, there are some men here whom he will not have any respect for, yet that seems to be the attitude that is demanded.

I refuse; do your worst; drive on your old apple cart; take any step you please. I care not. You may be conscientious, perhaps; but I refuse to be driven out of my party by a renegade or a band of renegades—men who are afraid to let their identity be known before the people; men who creep along under an assumed name; men who make false charges under an anonymous name that they would not dare make in the open forum.

I want to say, Mr. President, that I believe the American people are waking up to the fact that under the guise of partisanship many a crime has not only been committed but covered up after it was committed, and an intelligent people are not always going to suffer under the theory that it is their business always to vote the ticket straight, yellow dog and all. They will not do it; they do not do it.

I say I was the issue in my State in the recent election so far as my opponents were able to make me the issue, and the campaign was not fought out on a false ground. Senators heard the Senator from Maryland [Mr. TYDINGS] say that they offered to furnish my opponents my record. That is something they did not want. They had no use for my record. They were not able to puncture it; they would not dare tell the people what it was, and from every stump I challenged them to do it. I asked, "What is it that makes me a bad Republican? Tell the people concretely what have I voted against that is right; what have I voted for that is wrong. I have had a public service of 28 years. Every word I have ever said, every vote I have ever cast is a public record; bring it forth if there is anything wrong." The answer so far as my opponent was concerned was silence. He was as silent as the grave. He only charged NORRIS is not a good Republican, the same charge the Senator from Illinois makes. It is nothing new to me; I have heard it again and again, and I have not any respect for it, I do not care who makes it. They had a right to make it, but we fought it out in my State, and the verdict was against those who say a man must always be a regular.

Do we have elections? If the theory of the Senator from Illinois is right, we could have a short ballot with a vengeance. All we would have to do would be to have printed on the ballot, Republican ticket, Democratic ticket; and if some of those who are yelling against that should succeed there might be a communistic ticket. It would not take up the width of one finger on the ballot. All the people would be allowed to do would be to vote for one party or the other, and then the successful party would swear in its nominees. That is party loyalty; that is party spirit carried to its logical conclusion.

My theory is that every man who occupies a public office, particularly such a one as we occupy here, in every vote he casts, in every official act he performs, ought to be guided solely and only and exclusively by his own conscientious convictions as to what is right and what is wrong. So far as my State at least is concerned, that doctrine has been vindicated, and I am here to defend it, and I am here to condemn, whether it be in my party or any other party, the disgraceful methods that were practiced in the last campaign and that have only been partially exposed by the investigating committee.

Mr. GLENN. Mr. President, the Senator from Nebraska has devoted a large portion of his remarks to the Senator from Illinois. I desire to reply but briefly.

In the first place, he tried to put words in my mouth which were entirely unwarranted, to the effect that I approved the material which had been circulated against him, but, of course, I rose and denied that he had any warrant for such a statement. I have never seen the circulars. I do not know what is in them; I do not know what inspired them; but, no matter how bad they may be, how unwarranted they may be, and although I never believed in anonymous circulars, I would not be one to stand upon this floor and make of myself a great martyr because in the middle of a campaign an anonymous circular had been circulated against me.

If I had been inclined to make a martyr of myself, unusual in American politics, I could bring here a hundred circulars which have been circulated by the ton—both in the primary and in the general election campaign in which I was a candidate. The Senator from Nebraska is in no unusual situation, no matter how severe and how unwarranted and how untrue the articles may have been. If he had been called a Tammanyite, a Ku-Klux Klan follower, a robber, a burglar, and a thief, or anything else, he would only be in the same situation in which almost everyone of us here has been who has engaged in a hotly contested political campaign.

Mr. CUTTING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield?

Mr. GLENN. I yield.

Mr. CUTTING. Were the circulars the Senator mentions as having been sent out against him sent by the Republican national chairman?

Mr. GLENN. I do not know by whom they were sent; there were so many of them I do not know who sent them. I do not justify, and so stated, the action of the officer of the Republican National Committee, but I did say that his action was somewhat in line, I thought, with the fact that the Senator from Nebraska [Mr. NORRIS] had had too much Democratic support.

I respect the courage of the Senator from Nebraska, I respect his ability and the independence which he parades before us so dramatically here to-day and of which he is so proud. I respect him for it, but I do not have great admiration for his Republicanism.

He says that any party man, any leader of the party, any true party man, as I understood him, must stoop to and approve all sorts of wrongdoing in his party.

I do not think so at all. I have not said so. I think there are a lot of true, loyal party men on both sides of this Chamber who believe that there should be in this Nation and in the Senate 2 parties, or 3 parties, possibly, but not 96 individual parties. The Senator from Nebraska would have each one of us a political party in himself. He would have an organization here of 96 different parties to run this Government. That is his idea. He is honest in it, just as I am honest in believing that there is not room in this Chamber and in the Congress of the United States for 96 different parties, all going in opposite directions. That is what I feel about it; and I said—and I said it not under cover, and I believe the Senator is right when he says that he fights aboveboard, and that is the way I fight—that I did not believe that the Senator from Nebraska was a good Republican. I do not say he is not a good man; but, in my judgment, he is not a good Republican. He believes in 96 parties—not in the Republican Party; not at all. He believes that there should be 96 parties in this Chamber. He says, however, that he is a good Republican, vindicated by the Republican Party in Nebraska.

Is he a good Republican? What constitutes a good Republican in his mind and in my mind are altogether different things. I lay down the principle that a man who does not believe in the platform of his party, adopted in its national convention, and does not believe in and support the presidential candidate of his party, is not a good party man; and I say that the man who wraps the robe of Republicanism around himself only once in six years, and that at election time, is not a good Republican.

Mr. NYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. GLENN. Yes; I yield.

Mr. NYE. I have listened with interest to what the Senator has said to us, and have been tempted upon several occasions to speak; but I knew, by reason of my connection with the committee making this investigation, that it would be very unwise to speak before our inquiry is completed and before a report has been prepared and brought into the Senate. I am particularly anxious to know, however, and I think it altogether fair that I ask the Senator from Illinois what constitutes real Republicanism. Who is a good Republican and who is not a good Republican?

Mr. GLENN. I should say that the Senator from North Dakota is not a good Republican. I should say that a man who goes into a national convention of his party, participates there, has his name presented as a candidate for the Presidency, is defeated in a fair convention, and then goes out and openly fights the nominee who defeated him in the convention and opposes the planks in the platform, is not a good Republican. I do not say he is not a good man; I say he is not good Republican. I have learned this in my political life: When I go into a convention or into a primary in an open, fair fight, and I am defeated, I take my medicine and I support the nominee who defeated me. That is something that has not been done by other so-called Republicans.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Virginia?

Mr. NYE. I desire to propound another question to the Senator. Does the Senator feel that the President of the United States is a good Republican?

Mr. GLENN. Yes; and I think he is getting to be a better Republican all the time when he sees the combinations that are being made against him. He was not such a stalwart Republican when he came into his office; but when he sees the sort of combinations that are being made against him, and when he sees so-called Republicans fighting him day after day not upon one plank but upon every plank in the Republican platform and upon the Republican program, even at the expense of human misery, as we say, then he has come to see and to learn that there is something in party life and in true Republicanism. I think he is a good Republican.

Mr. NYE. I desire to call the attention of the Senator from Illinois to the fact that in 1918 our Republican President was among those standing by the Democratic President, urging the election of a Democratic Congress. Did that make him a poor Republican?

Mr. GLENN. Well, as I told the Senator, I did not think so much of his Republicanism a few years ago; but he has learned and learned and learned, and I think he is a great Republican now.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Virginia?

Mr. GLENN. I do.

Mr. GLASS. Let us get this terminology right—the real meaning of it. It used to be said that "a good Indian is a dead Indian." Does that apply in this case, as to good and bad Republicans? [Laughter.]

Mr. GLENN. I think that might apply all around; and if so, there are a lot of good Indians on both sides of this Chamber, I think.

Mr. BORAH. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The confirmation of George Otis Smith.

Mr. BORAH. Mr. President, I do not desire to delay this matter; but I think I am under obligation to have inserted in the RECORD a telegram from Mr. Clark, mayor of Idaho Falls, Idaho. He said:

> Am writing you to-day why appointment of George Otis Smith should not be confirmed as chairman of Federal Power Commission, and requesting that you use your influence to prevent.

I received this telegram last night. Of course, I know nothing about the contents of the letter which is coming. I do not feel that I am quite justified in asking for a delay of this matter. If it is sufficiently serious, perhaps we can deal with it in some other way; but I desire to put the telegram in the RECORD, and to state that Mr. Clark is a responsible gentleman.

The PRESIDING OFFICER. The question is, Shall the Senate advise and consent to the nomination of Mr. George Otis Smith?

Mr. DILL. I call for the yeas and nays. Let us have a record vote on it.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Connecticut [Mr. BINGHAM]. In his absence I withhold my vote.

Mr. HAWES (when his name was called). I have a pair with the senior Senator from New Jersey [Mr. KEAN], and therefore withhold my vote. I am informed that if the Senator from New Jersey were present he would vote "yea," and if I were at liberty to vote I should vote "yea."

Mr. MORROW (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. BRATTON]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. SHEPPARD (when the name of Mr. ROBINSON of Arkansas was called). The senior Senator from Arkansas is paired on this question with the Senator from Pennsyl-

vania [Mr. REED]. If present and at liberty to vote, the Senator from Arkansas would vote "yea."

Mr. TYDINGS (when his name was called). On this question I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand that if he were present he would vote in the same way that I shall vote. I therefore feel at liberty to vote, and vote "yea."

Mr. WAGNER (when his name was called). Upon this question I am paired with the junior Senator from Missouri [Mr. PATTERSON]. I have not been able to learn how he would vote on this question, and I therefore withhold my vote.

Mr. WALCOTT (when his name was called). I have a pair with the junior Senator from Tennessee [Mr. BROCK]. I understand that if he were present he would vote "nay." If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. GEORGE. I have a pair with the senior Senator from Colorado [Mr. PHIPPS]. Not knowing how he would vote, I withhold my vote.

Mr. WALSH of Massachusetts. I am paired upon all questions for the day with the Senator from Vermont [Mr. DALE]. Not knowing how he would vote, I withhold my vote.

Mr. ROBINSON of Indiana (after having voted in the affirmative). I voted in the affirmative, and that is the way I should want to be recorded; but I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who I understand has not voted. In his absence I withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Illinois [Mr. DENEEN] with the Senator from Iowa [Mr. STECK];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from New Hampshire [Mr. KEYES] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from Colorado [Mr. WATERMAN] with the Senator from Virginia [Mr. SWANSON].

The result was announced—yeas 38, nays 22, as follows:

YEAS—38

Ashurst	Glenn	McNary	Steiwer
Barkley	Goff	Morrison	Thomas, Idaho
Broussard	Goldsborough	Moses	Townsend
Bulkley	Hale	Oddie	Tydings
Capper	Hastings	Ransdell	Vandenberg
Carey	Hayden	Schall	Walsh, Mont.
Couzens	Howell	Shortridge	Watson
Davis	Johnson	Simmons	Williamson
Fess	Jones	Smith	
Gillett	Kendrick	Smoot	

NAYS—22

Blaine	Frazier	McGill	Shipstead
Borah	Harris	McKellar	Thomas, Okla.
Brookhart	Hatfield	Norbeck	Trammell
Connally	Heflin	Norris	Wheeler
Cutting	King	Nye	
Dill	La Follette	Sheppard	

NOT VOTING—35

Bingham	Fletcher	McMaster	Robinson, Ind.
Black	George	Metcalf	Steck
Blease	Glass	Morrow	Stephens
Bratton	Gould	Patterson	Swanson
Brock	Harrison	Phipps	Wagner
Caraway	Hawes	Pine	Walcott
Copeland	Hebert	Pittman	Walsh, Mass.
Dale	Kean	Reed	Waterman
Deneen	Keyes	Robinson, Ark.	

The PRESIDENT pro tempore. The Senate advises and consents to the nomination, and the President will be notified.

Mr. JONES. Mr. President, I understand that it is the desire to confirm the other nominations for the Power Board. I also desire to state that I shall consider it imperative that we act before the holidays on the $150,000,000 appropriation to carry out the marketing act. So I am going to do everything I can to secure action on that measure before we adjourn.

FRANK R. M'NINCH

Mr. COUZENS. Mr. President, the next nomination on which the Senate is to act is that of Frank R. McNinch, of North Carolina.

The PRESIDENT pro tempore. The question is, Does the Senate advise and consent to this nomination?

Mr. HAWES. Mr. President, the power act specifically requires that not more than three of the members of the Power Commission shall be appointed from the same party.

Nearly 50 years ago, in 1883, the Congress, in creating the Civil Service Commission, provided for minority representation on that commission. In 1904 the same principle was embodied in our organic law as to the Merchant Marine Commission, and at various times since the same action has been taken with regard to the Federal Trade Commission, the Compensation Commission, the Interstate Commerce Commission, the United States Shipping Board, the World War Debt Commission, the Federal Farm Loan Board, the Joint Committee on Internal Revenue Taxation, the Radio Commission, the Tariff Commission, and Congress even provided for minority representation on the United States Customs Court of Appeals.

I ask that a statement of the various acts be inserted in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ACTS OF CONGRESS PROVIDING FOR BIPARTISAN COMPOSITION OF COMMISSIONS, BOARDS, ETC.

Act of January 16, 1883 (22 Stat. 403, ch. 27, sec. 1; U. S. C. 5: 632). Not more than two civil-service commissioners to be adherents of same party.

Act of April 28, 1904 (33 Stat. 561, ch. 1813, sec. 1). At least two of five members from each House on the (temporary) merchant marine commission to be members of minority party.

Act of May 7, 1906 (34 Stat. 171, sec. 5; 172, sec. 6; U. S. C. 48: 137, 138). Not more than two of three election judges in each precinct in Alaska to be of same party; clerks to be of different parties.

Act of September 26, 1914 (38 Stat. 718, sec. 1; U. S. C. 15: 41). Not more than three Federal trade commissioners to be members of same party.

Act of September 7, 1916 (39 Stat. 748, sec. 28; U. S. C. 5: 778). Not more than two employees' compensation commissioners to be members of the same party.

Act of February 3, 1917 (39 Stat. 873, ch. 27; U. S. C. 28: 412). Jury commissioner to be well-known member of principal party opposing that to which the clerk or deputy clerk of the court belongs.

Act of February 28, 1920 (41 Stat. 497; U. S. C. 49: 11). Not more than six interstate-commerce commissioners to be appointed from same party.

Act of June 5, 1920 (41 Stat. 989, sec. 3; U. S. C. 46: 804). Not more than four commissioners of United States Shipping Board to be appointed from same party.

Act of February 28, 1923 (42 Stat. 1327, ch. 146, sec. 2; U. S. C. 31: 805). Not more than four appointed members of the (temporary) World War foreign debt commission to be from same party.

Act of March 4, 1923 (42 Stat. 1473, sec. 301; U. S. C. 12: 652). Not more than three appointed members of Federal Farm Loan Board to be appointed from one party.

Act of February 26, 1926 (44 Stat. 127, sec. 1203 a; U. S. C. Sup. 26: 1274). Joint Committee on Internal Revenue Taxation to consist of three majority and two minority party members each, from the Committees on Finance and Ways and Means.

Act of February 23, 1927 (44 Stat. 1163, sec. 3; U. S. C. Sup. 47: 83). Not more than three Federal radio commissioners to be members of same party.

Act of June 17, 1930 (46 Stat. 697, sec. 330; U. S. C. Sup. 19: 1330). Not more than three United States tariff commissioners to be members of same party; appointments to be made from different parties alternately.

Same (p. 737, sec. 518; U. S. C. Sup. 19: 1518). Not more than five judges of the United States Customs Court to be appointed from same party.

Mr. HAWES. Mr. President, I am not concerned with the situation in North Carolina, nor am I concerned particularly with the political opinions of the nominee for this position, Mr. McNinch; but I am very greatly concerned in knowing whether the clear spirit of this law, understood by men on both sides of the Chamber, written into the law after discussion, the Executive is to be permitted to violate the spirit of the law, only complying with the law so far as it appertains to the party in power, or whether the spirit of that law is to be maintained.

We have confirmed three of the nominees for this commission who belong to the Republican Party. There is another commissioner, Mr. Garsaud, who we know belongs to the Democratic Party. The nominee now under consideration, according to his own statement, does not belong to the Democratic Party.

I concede that the President might exercise his choice and name a man from any other party whose name was upon the official ballots in several elections, or he might name a man who on one occasion had exercised that prerogative and that judgment which the distinguished Senator from Nebraska [Mr. NORRIS] exercised. But that is not the situation in this case. It was not the exercising of a single vote, not the private expression of opinion for a candidate in opposition to a candidate; nor was it the expression of opinion by Mr. McNinch in one campaign; it is his conduct in two campaigns. So it is not at all analogous with a case where one man in one election expresses his opinion. This was a man who led, who organized, who raised and collected $30,000 and spent it to defeat the Democratic candidate for President, Mr. Smith, and the Democratic candidate for Vice President, Mr. ROBINSON.

He spoke with some pride of the distribution of a million speeches in opposition to the Democratic national ticket. A million speeches cost a large sum of money. He was called upon to make a report by the attorney general of his State, of the amount of money collected and spent, and finally when he came before our committee he disclosed the fact that it exceeded $30,000.

I draw a distinction between the exercise of individual judgment in a campaign and the taking of a commanding position in a campaign.

That was not all. In the next succeeding election Mr. McNinch, in his own congressional district, voted against the Democratic candidate for Congress. He had participated in a senatorial primary in that State, and having had his right of expression in that primary, he refused to vote for the Democratic candidate for United States Senator selected in a Democratic primary.

We have heard to-day the discussion concerning Mr. Lucas, Mr. Lucas who is the executive chairman of the Republican national committee. It is said that he was made the chairman of that executive committee at the request of the President. Mr. Lucas is a high authority in politics. Selected for that important position, he is assumed to know the difference between a Democrat and a Republican. Yet this chairman of the Republican committee states that Mr. NORRIS, the great Senator, is not a Republican; that he is a Democrat, because he did not support Mr. Hoover in the last campaign. If we follow the logic of the statement of Lucas, the spokesman of the President, under what category can Mr. McNinch come?

We asked the Senator from North Carolina in the committee how many Republicans there would be on the commission should Mr. Smith be confirmed, and he humorously replied, "Three and a half." So the question is not McNinch; it is whether in this great commission some man who has performed a special service to the President may be called a Democrat when he is not a Democrat, or, if we change the complexion of our Government and Democrats come into power, whether they shall appoint as representing the minority men who are known to be Republicans or men who have openly organized opposition to the Republican Party.

I find a great difference between the conduct of a man in one campaign through his vote and the conduct of another man who organizes a committee, raises and spends money, and then repeats the same thing in the next succeeding election.

Mr. McNinch says that in the national campaign he supported the State candidates of the Democratic Party, but the significant thing is that he has been selected for a Federal position, and in two campaigns he supported the Republican Party. In two campaigns he supported the Republican Party. He is appointed as a Democrat.

Some one in our committee propounded a question to Senator-elect Bailey. I want to read the question and the answer. Senator-elect Bailey, elected in the recent election, appeared in active opposition to the appointment of Mr. McNinch. He was questioned by the Senator from Illinois as follows:

Senator GLENN. Do you take the position that any person, whether a former Democrat or not, who voted against Governor Smith in 1928, is not entitled now to term himself a Democrat?

Senator-elect BAILEY. I am glad you asked that question. No; I do not take any such position.

Senator GLENN. Therefore you would exclude from this situation Mr. McNinch's conduct in voting against Governor Smith?

Senator-elect BAILEY. No, sir; I do not exclude it, but I let it stand for what it is; for what light it may throw upon his subsequent acts.

Senator GLENN. Do you repudiate as Democrats those who voted in that 1928 election against Governor Smith?

Senator-elect BAILEY. I do not.

Senator-elect Bailey led this fight and said distinctly that it was not Mr. McNinch's voting against Smith that caused his opposition, or all of it, but it was his leading the fight against Smith, using Republican money against Smith, and then in the very next election voting against his own candidate for Congressman, and refusing to vote for his candidate for the United States Senate. It was continuous conduct in the last four years that brought this protest.

Mr. KING. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Utah?

Mr. HAWES. I do.

Mr. KING. Did it appear before the committee that in using Republican money and opposing the Democratic national candidate, he was jeopardizing the success of the Democratic Party in the State election, and jeopardizing the success of the Democratic nominee for the House of Representatives, and thus contributing to the Republican victory and turning over control of the House to the Republicans?

Mr. HAWES. It would have that natural result; but Mr. McNinch, to be perfectly fair about it, voted in that Smith election for the Democratic candidate for Congress and for his State ticket. But when it comes to defining who is a Democrat and who is not a Democrat in North Carolina, I think I would be quite unfair, simply because he has passed away, not to say that I for some years listened with great interest to the opinions of former Senator Overman, who recently passed out of this Chamber. The Governor of North Carolina should know whether a man is a Democrat. The attorney general of that State should know. Each one of the eight Congressmen from that State should know. The supreme court judges of that State should know.

Mr. Hoover was wrong, provided he sends this man's name here as a Democrat. If he sends his name here as that of an independent Democrat, as he describes him, there can be no complaint. If he wants to charge him to some other party, that is the President's privilege. If he wants to put him down as one-half Democrat and one-half Republican, he does not fill the requirement. I am concerned with the philosophy of this law. If throughout the Nation wherever the law provides for minority representation, the President may define who are and who are not members of the minority party, we should so understand it.

I remember a similar instance in our own committee where a brilliant, capable man was nominated for the position of radio commissioner. He impressed me with his learning. He impressed me with his knowledge. But he was sent in as a Democrat. He frankly said he was not a Democrat, but that he was an independent Democrat, and he was rejected.

Understand, Mr. President, this case can not be confused with a temporary act. It was not an expression of opinion by one man at the polls. It was the leader of an organized movement raising and spending money in one national campaign and then in a succeeding campaign refusing to support his candidate for the United States Senate and voting against the party candidate for Congressman in his own district.

Senator-elect Bailey has made this fight, the Governor of North Carolina has made the fight, and eight Congressmen in North Carolina have made the fight. He has said it is

not a single vote against Smith that controlled his judgment. No one wants to draw the line there. It is as a representative of a political organization and who twice did the same thing.

Mr. President, I have stated the facts. It is very unpleasant for me to state them, but it is the only way I can make my case in showing that the spirit of the law, the clear intent of Congress, has been violated. Unless I am mistaken, there may be Democrats who say that a man can vote against his party in one national campaign and continue that course in another national campaign and still remain a member of the minority party. It is the continuation of conduct, not a single act. There is no analogy between the situation discussed here this afternoon in relation to the distinguished Senator from Nebraska [Mr. NORRIS] and this situation. This man represented a political organization. He gave as a reason for opposing Smith that Smith was a wet and he was a prohibitionist. That was his right; it was his high privilege to take that position. But in the very next campaign two years later he voted against his candidate for Congressman, who is a prohibitionist, and he refused to vote for his candidate for the United States Senate, who is also a prohibitionist.

I wish this case had not arisen from North Carolina, with its embarrassments. But we must pause. There comes a time when this thing must stop or else let us be frank about it, let us be perfectly honest about it, and appoint five members of the majority party on the other commissions; let us eliminate the qualifications entirely and give the President the right to appoint from any party where he can find merit and virtue and capacity. Let us give him the power without restriction, except the right of confirmation by the Senate, or give him the right with the restriction that all the appointees shall be from his party. But when we give him the power with the restriction that not more than three men shall be members of the same party, we have the right to expect that the President of the United States will comply with the clear intent and purpose of that limitation.

Mr. MORRISON. Mr. President, I wish to intrench for a few minutes upon the attention of the Senate. As much in justice to Mr. McNinch as in justice to myself, I must ask for a few moments.

The law which the Senator from Missouri [Mr. HAWES] has discussed is this:

> Not more than three of the commissioners shall be appointed from the same political party.

As a Senator from North Carolina I am entirely willing to vote that my friend Mr. McNinch is not a regular Democrat in good standing with the party organization, but I can not stand here and vote that he is a Republican and therefore causes the President to violate the law in putting upon the commission four Republicans instead of three. If the Democratic Party has taken the position in North Carolina in the last campaign that the Hon. Frank McNinch was a Republican, Senator-elect Bailey would not soon be a Member of this body, in which I am sure he will render his country great service.

I do not think the issue has been squarely or fairly presented by those who oppose Mr. McNinch. The issue is not, is he a Democrat? The issue is, is he a Republican? I know he is not. Everybody in North Carolina knows he is not. If he is not a Republican then his appointment is not repugnant to the plain letter of the statute. I have known Mr. McNinch many years. Before this trouble in 1928 among the Democrats over their nominee for President, he was known as a Bryan Democrat.

There was not in all my State a more brilliant and respected advocate of the Democratic Party under the leadership of Bryan and Wilson than the Hon. Franklin McNinch. In 1928 he became profoundly and conscientiously troubled over the nomination of Governor Smith, as millions of Democrats throughout the Republic did, and as conscientiously as any man ever acted, and forfeiting a political career as brillant as that which stood before any gentleman in my State, as I firmly believe, in devotion to his principles, he actively opposed the election of Governor Smith.

The senior Senator from my State [Mr. SIMMONS] asked me about my attitude. In that campaign I fought Mr. McNinch to the utmost of my capacity, and when my colleague's conscience caused him to lay down the leadership of the Democratic Party in my State, and resign as national committeeman, the party in North Carolina did not select my friend, Mr. Bailey, but it did me the very great honor unanimously to choose me to succeed the senior Senator from North Carolina as a member of the Democratic National Committee. I did what I could to carry the State for Governor Smith, and after the election was over we commenced to try to heal up the difficulties, to get together; and men of the type and kind of Mr. McNinch, men who had bolted, elected Senator Bailey to the Senate and Major Bullwinkle to the House of Representatives, went over the State begging Democrats to come back to their party, calling them Democrats and all that.

Now, Mr. President and gentlemen of the Senate, it is not to the interest of the Democratic Party to declare that Frank McNinch is a Republican. He is not and he never will be. There are not offices sufficient under our Government to make him a Republican. I know him; I know him much better than do gentlemen from my State who live in distant parts of it. He is controlled by his conscience. He did not admire Mr. Bailey; he did not vote in the primary at all. He did vote against Major Bullwinkle. Those are the only two Republican votes he ever cast in his life. I do not think that makes him a Republican. I differed with him; but on the State ticket in 1928 he voted a ticket about that long [indicating], all Democrats, the legislative and county tickets. In my opinion, at least three of the congressional delegation from North Carolina would have been defeated except for the very able, loyal support that Frank McNinch, as leader of the anti-Smith Democrats, gave them. I hope that my Democratic friends will not vote against Mr. McNinch on the idea that it is going to help the Democratic Party in North Carolina. We are all united down there except some of the extreme folk who want to keep on. This fight on Mr. McNinch is purely political, and, in my opinion, is not wise politically. I know him. While with his party standing, of course, I could not vote to nominate him on the Democratic ticket for any office—I broke with a man whom I love better than I ever loved any other public man in North Carolina because he could not longer adhere to the party—but for an office like this I do not think it is necessary to have a man's partyism certified to by the chairman of the party to which he belongs.

In the basic principles of government Mr. McNinch, Senators, is a progressive, liberal-minded Democrat who worshiped William Jennings Bryan and Woodrow Wilson.

Mr. WALSH of Montana. Mr. President, I entertain no doubt at all that the spirit of the law has been violated by this nomination. It is really a matter of no great consequence whether one calls this man an independent Democrat or any other name; the purpose of the law was, of course, to provide representation on this commission of the two great political parties, and it seems to me that the President of the United States ought to set an example of scrupulous adherence to the law, both in its spirit and in its letter.

I say this much, Mr. President, although I think the requirement of the law is a perfectly senseless one and never ought to have been incorporated in the law. When we come to select members for a commission of this kind the President ought not to be restricted in his selection. Nevertheless, that is the law, and of course it ought to be observed. I say this much because I equally condemned the practice of a Democratic President of the United States, when he was called upon to fill commissions of this character, picking out a member of the minority party who was not in harmony with the party at all and who had supported the Democratic candidate for President. In either case the practice is reprehensible, but this is a matter of very small consequence, so far as I am concerned, Mr. President, and I

should not allow it at all to swerve my judgment concerning the propriety of this nomination, if there were not other considerations here that, to my mind, are vastly more important.

No one has thus far acquainted us in detail with the information that was given to the committee in respect to this man. I have before me, however, a copy of the Raleigh News and Observer, which, as will be recalled, is published by former Secretary of the Navy Josephus Daniels, from which I read as follows:

Senator MORRISON largely put his action—

Referring to the support of the junior Senator from North Carolina of the nominee—

On the ground that he is "member of the Presbyterian Church in which McNinch is an elder," denied McNinch "had any connection with power interests except through me, I being a heavy stockholder in the Duke Power Co., which is almost a religious and benevolent organization, which would not corrupt anything and which is doing great good in North Carolina," and adding: "I can not imagine why my friend McNinch wants the post," evidently forgetting the $10,000 salary. These comments indicate that Senator MORRISON did not properly appraise the gravity and national import of the issue. Nobody cares about McNinch's church relations or whether the Duke Power Co. is "almost a religious organization" or the Duke's gifts mean to North Carolina. These are matters not remotely related to whether the Power Commission has been packed with men who may think it all right to transfer natural resources to private interests for their profit, or who will continue the indefensible policy of the old power commission.

These it seems to me, Mr. President, are the matters that chiefly concern us rather than the question of whether Mr. McNinch is really an honest-to-God Democrat or only an independent Democrat, although, as I say, that is not altogether irrelevant.

However, there is another matter, Mr. President, that is of consequence here. Not only as I understand—and I shall be glad to be corrected if I state the facts erroneously—did Mr. McNinch organize and head the opposition within the Democratic Party to the election of a Democratic candidate in 1928—and I find no particular fault with that—but he raised, as is shown here, some $30,000, which he expended in that campaign and despite what seems to be the plain requirement of the statute of the State of North Carolina he never made a report as to where he got the money or what he did with it, as I understand, and when called upon by the attorney general declared that he did not propose to do so.

Mr. MORRISON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. RANSDELL in the chair). Does the Senator from Montana yield to the Senator from North Carolina?

Mr. WALSH of Montana. I yield to the Senator.

Mr. MORRISON. Has the Senator read the statute of North Carolina?

Mr. WALSH of Montana. I have the statute before me.

Mr. MORRISON. It was decided that he could not be made to do it. It is true that the attorney general thought otherwise, but I do not think we could make him submit a report. If we could have done it, we would have.

Mr. WALSH of Montana. Whether it could be done or not, the testimony is, as I understand it, that the nominee actually refused after an opinion had been rendered by the attorney general of the State that under the law he was required to file a report. Likewise, as I understand the matter now—and I shall be glad again to be corrected if I am wrong—he refused to tell the committee where $6,000 came from. I speak only from memory.

Mr. WHEELER. Mr. President, the Senator is certainly mistaken——

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield, and if so, to whom?

Mr. WALSH of Montana. I yield to my colleague.

Mr. WHEELER. The Senator is entirely mistaken about that.

Mr. WALSH of Montana. Will my colleague tell us what the facts are about the matter?

Mr. WHEELER. The facts are that Mr. McNinch came before the committee and made a full disclosure as to where he got the money. He said that Mr. ———, I will have to give the name from recollection, because I have not the testimony before me——

Mr. BARKLEY. Mr. Morehead.

Mr. WHEELER. That he got $6,000 from Mr. Morehead. He said he made every effort to find out where Mr. Morehead got the money, but he had not been able to do so, but that Morehead was the man who paid it to him. He made a full and frank statement.

Mr. WALSH of Montana. Who was Morehead?

Mr. WHEELER. He was a former Congressman some one suggests, but I do not know as to that.

Mr. WALSH of Montana. However that may be, Mr. President, let me read the statute of the State of North Carolina.

Mr. BLEASE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from South Carolina?

Mr. WALSH of Montana. I yield.

Mr. BLEASE. Would it not be well to establish who Mr. Morehead is and what his politics is before the Senator goes any further?

Mr. WALSH of Montana. I would be very glad if the Senator could give us the information. I ask for it.

Mr. MORRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Carolina?

Mr. WALSH of Montana. I yield to the Senator from North Carolina.

Mr. MORRISON. Mr. Morehead is an attorney at law in the city of Durham. He is a man of very high character and is related to——

Mr. WALSH of Montana. Let me inquire if Durham is not the seat of the Duke operations?

Mr. MORRISON. No, sir; they have some interests there, but it is not their headquarters or anything like that. Mr. Morehead was related to——

Mr. WALSH of Montana. I had supposed that Durham was the original home of Durham tobacco.

Mr. MORRISON. Yes.

Mr. WALSH of Montana. And that the Duke people are controlling a great interest in the American Tobacco Co.

Mr. MORRISON. Except for one woman who lives in the locality and a young girl, the Dukes are all dead.

Mr. WALSH of Montana. Their estate is there still, is it not?

Mr. MORRISON. No, sir; not much of it. Mr. Duke gave most of it to hospitals and colleges.

Mr. WALSH of Montana. We have some information about that here.

Mr. MORRISON. I should like to tell the Senator a little further about Mr. Morehead. He is a Democrat and voted the Democratic ticket at the last election for State and county offices, and has always been a Democrat, though distantly related to the former Representative and Republican leader of North Carolina, Mr. John M. Morehead.

Mr. WALSH of Montana. I did not understand the Senator from South Carolina [Mr. BLEASE] was inquiring partcularly as to his politics.

Mr. MORRISON. I thought he was.

Mr. WALSH of Montana. He is perhaps more interested in his business relations. Perhaps the Senator from North Carolina will tell us about those.

Mr. MORRISON. Yes, sir. He has no relations of that character to my knowledge, sir, at all. I am sure that he is a general practitioner of the law.

I do not think he has ever had any sort of business connection with the power people.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Carolina?

Mr. WALSH of Montana. I do.

Mr. SIMMONS. I desire to say to the Senator from Montana that we have several power trusts in North Carolina,

and I do not think any of them have their offices in Durham. I know none of them have their plants there. The headquarters of one of these trusts, known as the Southern Power Co., I think, is in Charlotte. Their activities are in that section of the State. The headquarters of what is known as the Carolina & Tidewater Power Co. is in Raleigh, N. C., as I understand.

Mr. Morehead lives in Durham. Durham is a tobacco-manufacturing city of great growth and prosperity. A great university has been built up around and with the money contributed by Mr. Duke, at one time the head of the American Tobacco Co., and at the time of his death I think at the head of the Southern Power Co. in North Carolina. The money that he left for educational purposes was spent very largely—not altogether, but very largely—in the erection of that wonderful physical plant now known as Duke University.

Mr. Morehead, who lives there, as my colleague has said, is a lawyer of great prominence in that prosperous city, but is not a man of fortune. He is a man of very moderate means, I am advised. He has never had any connection whatsoever, so far as I have ever heard charged or intimated, with the Power Trust; but, like Mr. McNinch, he was an ardent prohibitionist and had been all his life an ardent prohibitionist. Upon the question of prohibition and immigration, I know from conversations I have had with Mr. Morehead, that he separated himself upon the presidential election in 1928 from the Democratic Party and opposed Mr. Smith with all of the zeal that he had. He did raise some money. He gave some of his own funds to the campaign; and finally he sent to the treasurer of the anti-Smith organization in that State a contribution of $6,000. He did not explain in his transmittal the source from which that money was derived.

Mr. McNinch was canvassing the State. He was speaking in nearly every county in the State, making one of the most brilliant campaigns that ever has been made in North Carolina against Mr. Smith. He had nothing to do with the collection of these funds. They were paid over to the treasurer, Mr. Ireland; and Mr. Ireland accounted for them, after the election, to Mr. McNinch.

In looking over the statement sent to him by Mr. Ireland, Mr. McNinch discovered this item of $6,000, with nothing to indicate the source from which it had come; and he at once demanded its source from Mr. Ireland. He did not know. He then demanded of Mr. Morehead the source of that contribution.

Mr. Morehead flatly declined to give him the names of the persons who contributed it upon the ground that the men contributing it were business men, they had no connection with politics, some of them were living outside of the State, they were deeply interested in the question of prohibition, and that he had made them a solemn promise according to their request not to divulge their names; and he refused to divulge them to Mr. McNinch.

That is the reason why Mr. McNinch did not make his report immediately after the campaign. He was getting ready to make it. He wanted to make it. He tried to get this information, and he felt that he ought to have that information before he made the report. When the Attorney General ruled that he should make it, Mr. McNinch declared that in his judgment as a lawyer—he is one of the best lawyers in North Carolina—under his own view of the law he was not a political party, and not required to make a statement. He was heading an organization that was opposing one man, gotten together for the purpose of opposing him upon a particular ground and for a particular reason; and when it accomplished that purpose, his organization disbanded.

That is the view that he took about the matter. Our statutes required a party, the chairman of the committee of every political party participating in the election, to make a statement. Mr. McNinch said he was not required to do it in law; but he said in the newspapers, "When I get sufficient information as to one particular item which by reason of its size has aroused some suspicion on my part, I will make a voluntary disclosure and statement, and publish it in the newspapers in North Carolina."

I know that Mr. McNinch went repeatedly to Mr. Morehead. Finally it culminated in a demand, and Mr. Morehead refused to give him the information; but Mr. Morehead gave him a letter in which he said that, while he would not disclose it, the rumor that was circulated in North Carolina that this fund—this was in the last campaign, not in 1928—came from power interests, was utterly false, and that not one dollar of that money came from any power interest in this country or in North Carolina.

Mr. WALSH of Montana. Of course, the Senator from North Carolina is speaking by courtesy from myself. I did not suppose that he was endeavoring to reply to the argument I was trying to make.

Mr. SIMMONS. No; if the Senator will pardon me, I was not doing that.

The PRESIDENT pro tempore. The Senator from Montana has the floor.

Mr. SIMMONS. Will the Senator yield to me?

Mr. WALSH of Montana. I yield to the Senator.

Mr. SIMMONS. He asked the question, Who was Mr. Morehead; and I was just trying to give him the information as to who he was, and as to how he was drawn into this controversy.

Mr. WALSH of Montana. Mr. President, with the remarks of the Senator from North Carolina—for whom I have the most profound respect—I have no particular quarrel so far as they relate to the Duke estate. The Duke estate has doubtless been devoted to very commendable purposes; but those of us who have been here in the Senate and have paid any attention to these matters in recent years need not be told that Mr. Duke during his lifetime was one of the great figures in the power world, and that a vast portion of his estate was invested in power enterprises in various parts of the country. The records of the Senate are replete with information upon that subject.

Mr. WHEELER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to his colleague?

Mr. WALSH of Montana. I yield.

Mr. WHEELER. Let me say to my colleague that so far as I have been able to discover, Mr. McNinch has had no connection with the Duke estate or with the Duke interests. I challenged every man who brought protests to me against Mr. McNinch, and said to him, "If you can show me where he is connected with any power interest under any circumstances or conditions, I shall be against him"; but not one scintilla of evidence was produced before the committee.

Mr. WALSH of Montana. Except that he comes from their town.

Mr. WHEELER. Yes; simply because of the fact that he comes from their town. I come from Butte, Mont., owned and controlled politically by the Anaconda Co.; but I hope by reason of that fact nobody will charge that they dominate my votes or my actions in this body, or at any other time.

Mr. WALSH of Montana. No; much less the Senator's colleague anyway. But, Mr. President, we were considering the question of the failure to report by Mr. McNinch.

The record on this matter is enlightening, and we have not had it yet. I want to read from the testimony of Senator-elect Bailey, at page 203, as follows:

Senator-elect BAILEY. Mr. McNinch promised in the 1928 campaign, prior to the election, to disclose after the campaign the sources of his financial contributions and the disposition of those financial contributions. The law required that a report should be made both prior to the election and subsequent to it.

Senator GLENN. On the part of a political party or by anybody?

Senator-elect BAILEY. In the case of a political committee. Of course, it contemplated that anybody receiving money in politics should disclose it to the State, and he was at the head of that campaign.

Senator BARKLEY. Have you got a copy of the law as it applies in North Carolina?

Senator-elect BAILEY. I do not have it. I think the attorney general of North Carolina has filed a letter here from which you

can get the law. Mr. WARREN, a Member of Congress from the first district, can produce it.

The CHAIRMAN. Please proceed.

Senator-elect BAILEY. I was just saying that instead of complying with the law, which requires a statement of his contributions prior to election, Mr. McNinch made announcement to the people of North Carolina that he would disclose the contributions after the election. After the election was over he refused, and he refused notwithstanding a formal demand was made upon him by the secretary of state, and notwithstanding the attorney general of the State of North Carolina ruled that the law included Mr. McNinch and his committee.

Senator SMITH. Right there let me get this clear. Did the law consider that Mr. McNinch, having collected and disbursed those funds in the interest of the party, came under the law, and he was required to make a return of them?

Senator-elect BAILEY. Yes; that was the ruling of the attorney general.

Senator WHEELER. Did it carry any penalty with it?

Senator-elect BAILEY. Yes; there is a general penalty in the law.

Senator WHEELER. Why didn't the attorney general prosecute him if that is the case?

Senator-elect BAILEY. I do not know. That is a matter that has caused debate.

Senator BARKLEY. Under the North Carolina law the attorney general has no right to begin a prosecution except by direction of the governor.

Senator-elect BAILEY. He was not the man to institute it, as I understand. You asked me the question and I can not tell you why he was not prosecuted, for I do not know.

The CHAIRMAN. Proceed, please.

Senator-elect BAILEY. Now, that is the status of the matter. Now, Mr. McNinch makes no report, notwithstanding his promise to the voters that he would. Now, since November, 1928, more than two years have elapsed. The President of the United States appoints Mr. McNinch to this office, and he comes before this committee and says that he has recognized all the time he was under a moral obligation to make that report but that he had not made it. Very well. Now, what is his excuse for not having made it? I bring this forward, Mr. Chairman and Senators, for one purpose: It throws a flood of light upon the type of the man's character. He says he did not make that report because he could not find out the individuals who had contributed to Mr. J. L. Morehead's fund of $6,000 and Mr. Ward Wood's fund of $11,000.

Mr. SIMMONS. Mr. President, that is a misprint which was corrected in the committee. I ask the junior Senator from North Carolina whether I am not right about that.

Mr. BARKLEY. Mr. President, if the Senator will yield there, I corrected Senator-elect Bailey, as appears in the record, by reminding him that that was $2,000 instead of $11,000, and he agreed to it.

Mr. WALSH of Montana. I continue the reading:

I think it is, although I have not the figures. That is not an excuse. All that the law should require of him is that he report that he received these sums from Mr. Morehead and from Mr. Wood.

Of course, there can be no controversy at all about it. If Mr. Morehead refused to tell him where the money came from, he was to report having received it from Mr. Morehead. That is no excuse for not filing any report at all, and nobody can contend that it is, with any degree of reason or logic. I continue the reading:

Senator BARKLEY (interposing). Who are Mr. Morehead and Mr. Wood?

Senator-elect BAILEY. I will come to that.

Mr. SIMMONS. Mr. President, will the Senator yield to me again?

Mr. WALSH of Montana. I yield.

Mr. SIMMONS. I think Mr. McNinch testified to the committee that when he accepted this position of chairman, the head of the anti-Smith committee, a large number of anti-Smith leaders were present, and that he accepted it upon two conditions, and notified those present that if those conditions were violated, he would retire as chairman of the committee. One of the conditions was that no Republican money was to be received.

Mr. WALSH of Montana. Mr. President, I think in fairness the Senator should not make his speech in the midst of mine. I am glad to answer any questions, but I would like to continue with my discussion.

The PRESIDENT pro tempore. The Senator from Montana declines to yield further.

Mr. SIMMONS. Mr. President, if the Senator will give me one moment, I will say what I wanted to say.

Mr. WALSH of Montana. I yield to the Senator.

Mr. SIMMONS. Another of the conditions was that no money should be received from a doubtful source.

Mr. WALSH of Montana. I want to read a little further from this testimony.

Mr. GLASS. Mr. President, may I interrupt right there?

Mr. WALSH of Montana. I yield to the Senator from Virginia.

Mr. GLASS. I want to say that he did not comply with his own conditions, because I notice from the report of the testimony that he received $5,000 from the anti-Smith committee of Richmond, Va., which was received from Mr. Jamison, a Republican in New York, upon the advice of Mr. Slemp, the Republican national committeeman from Virginia.

Mr. WALSH of Montana. He made no report at all, and, of course, did not include that.

Mr. GLASS. He did not observe his own requirements.

Mr. WALSH of Montana. That is, he got $5,000 from the Virginia anti-Smith organization.

Mr. GLASS. Which had been supplied by Mr. Jamison, of New York, upon representations made by Mr. Slemp.

Mr. WALSH of Montana. Then, with reference to that particular contribution, he was in the same situation he was in with reference to Morehead's situation; he did not follow the requirement.

Mr. SIMMONS. Mr. President, if the Senator will pardon me for just one moment——

Mr. WALSH of Montana. I yield, if I am in error.

Mr. SIMMONS. That money was received from an organization in another State engaged in the same enterprise he was in, and for the same reason that he was fighting, and he had no knowledge, and there is nothing in the testimony that shows that he had any knowledge, as to where the Virginia committee received this money that was contributed on behalf of the North Carolina campaign.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield.

Mr. McKELLAR. I read from page 159 of the record:

Senator BARKLEY. Do those three include the ones from Richmond?

Mr. MCNINCH. No, sir; no, sir. That is four, including that. That is right; four, including the one from Richmond. Two more came from David H. Blair to W. H. Wood.

David H. Blair is certainly a Republican. Mr. McNinch certainly violated his own terms, according to that testimony.

Mr. MORRISON. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield.

Mr. MORRISON. I know the Senator wants to get the matter straight, and I want the Senate to have the facts.

Mr. McNinch explained that, as to those practicalities of the campaign, he had nothing to do with them, except that he told them not to do these things. Afterwards he found they had done them. But the parties involved were men of very high character. He was an orator, and off on the stump, and I was fighting him day and night. He never had anything to do with those things except to take the responsibility.

Mr. WALSH of Montana. The Senator from North Carolina will understand that his colleague introduced this matter, and told the conditions under which Mr. McNinch assumed the position he occupied, namely, that no contributions whatever were to come from Republican sources, and the Senator from Tennessee is calling attention to the fact that if there was any such agreement, it was violated.

Mr. MORRISON. But he also explained that he did not know it, and never handled 5 cents of the money. He was probably 150 miles away when most of it was going on, campaigning, and the practical parts of the campaign I know—I live in that city—were run by other people. The responsibility was his, as the head of it, because they did not comply with it. These men tell frankly that he told them not to do it; but they took the money anyhow.

Mr. WALSH of Montana. But another condition under which he accepted the appointment was that no contribu-

tions were to be accepted from questionable sources. It appears that in one instance at least the condition was violated, namely, that he was not to accept any contributions from Republicans.

Mr. MORRISON. He never accepted them at all, Senator, except for his responsibility as head of the committee. He says he did not, and I am sure he never had one cent of the money in his hand or in his custody in his life.

Mr. SIMMONS. Mr. President, will the Senator yield to me further?

Mr. WALSH of Montana. I yield to the Senator.

Mr. SIMMONS. The contribution about which the Senator speaks was made by Mr. Wood. He sent the check, or whatever it was, to Mr. Ireland. Mr. Wood is a Democrat. Mr. Wood is an ardent prohibitionist and was very active in that campaign. Mr. Ireland, the treasurer, made a report to Mr. McNinch, the chairman, after the election, and, so far as the record shows, this $2,000 came from Mr. Wood. Some question was raised as to where Mr. Wood got that money. Mr. McNinch went to him and told him that he was present when he made the statement that there must be no Republican money taken and no money taken from suspicious sources, and he said, "I want to know where this $2,000 came from if you did not subscribe it yourself." He told him that he knew one of the men who sent it but did not know his politics. He was the head of a movie concern out in California but an ardent prohibitionist.

The other he said he did not have in mind and had no record of his name. And Mr. Blair was a Republican. It was Mr. Ireland who said Mr. Blair turned over this money. Mr. Blair turned this money over to Mr. Wood. Mr. Blair was a Republican. I understand that Mr. Blair said that he got a part of the money from this movie man, and he says he does not remember who gave him the balance of it. There is no evidence whatsoever that that money came from any power source or from a Republican.

Mr. WALSH of Montana. I continue reading the testimony of Mr. Bailey:

Senator BARKLEY (interposing). Who are Mr. Morehead and Mr. Wood?

Senator-elect BAILEY. I will come to that. I bring that to the committee by way of suggesting that Mr. McNinch did not act in good faith with this committee when he appeared before you.

Senator HASTINGS. You say he is a man of good character, don't you?

Senator-elect BAILEY. Of good standing; yes, sir.

The CHAIRMAN. Senator HASTINGS, Senator-elect Bailey has already testified to that.

Senator-elect BAILEY. I raise no question of his standing as a man.

Senator BARKLEY. I think you misunderstood the statement as to the amount of $11,000. I think that was $2,000 instead of $11,000.

Senator-elect BAILEY. All right; however, that may be. My point is that that was a pretext. He did not have to tell who were the contributors to Mr. Morehead or to Mr. Wood. All that the law would require of him would be to put in his report: I received $2,000 from Wood and I received $6,000 from Morehead. Now he states that he spent two years withholding his report from the public, nothwithstanding he knew he was morally obligated to make it, all because he could not find out who the contributors were to Morehead and to Wood. Any child knows better than that.

Senator BROOKHART. That was not his interpretation of the law. He claimed that he was not required by law to make any report.

Senator-elect BAILEY. I understand. He also admits he was morally obligated to do it.

Senator BROOKHART. As to this other matter, he said he wanted to show exactly who contributed that money and could not find out.

Senator-elect BAILEY. Perhaps he did. But, even so, that did not justify him in delaying making a report for two years. He could have made a report and said: Later on I will give you the details. I am addressing this to the substantial value of his statement.

Senator BROOKHART. The committee got the value of his statement. He did not hold back anything.

Senator-elect BAILEY. He submitted nothing until the matter of the filing of this report was made a test of his confirmation.

The CHAIRMAN. We can go into all of that when we go into executive session.

Senator DILL. Did Mr. McNinch make any report to anybody publicly about where he got this money until he came before this committee?

Senator-elect BAILEY. Never until it was made a test of his qualifications here.

Senator DILL. All right.

Senator-elect BAILEY. Now, as to the gentlemen who contributed: Mr. Word H. Wood is a very fine citizen, an influential banker, the president of the American Trust Co. at Charlotte, which is the depositary for the Duke estate funds, the Duke Power Co. He is very close to those institutions. Mr. R. B. Gossett, and this is in the list of his contributions, is the vice president of the American Trust Co., a director of the Turner-Halsey Co., the Southern Investment Co. of New York City, the Piedmont & Northern Railroad, an exclusive Duke Power Co. concern in North and South Carolina.

Now, let me state what this Piedmont & Northern Railroad Co. is: It is a railroad that is projected from Charlotte to Winston-Salem, our two most populous cities, one in the northern section of the State and the other in the southern section of the State, and the Duke Power Co. proposed to build this road in order to consume its power. They made application, and you can find a record of it here in the Interstate Commerce Commission, for leave to build the road. But the application was denied on the ground that it paralleled the Southern Railway and was unnecessary.

Mr. BROOKHART. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield.

Mr. BROOKHART. I call the Senator's attention to the fact that he has not noticed the testimony of Senator-elect Bailey about his own connection with the Power Trust.

Mr. WALSH of Montana. That would be quite immaterial.

Mr. BROOKHART. That was the big Power Trust. That might have been a motive why he was fighting this man McNinch, because his connections were certainly quite intimate with the big Power Trust, and this Duke Power Trust seems to be quite a little one in North Carolina, not connected with the big national organization at all.

Mr. SIMMONS. Mr. President, will the Senator pardon me further?

Mr. WALSH of Montana. I imagine that Senator-elect Bailey's connection with the Power Trust is quite immaterial in connection with the question of the fitness of this particular nominee.

Mr. SIMMONS. Mr. President, will the Senator yield to me for one more interruption?

Mr. WALSH of Montana. I yield.

Mr. SIMMONS. I agree that it is quite immaterial, except from the standpoint that he may be representing the Power Trust and opposing Mr. McNinch. He admitted that his father-in-law had for many years been the general counsel of one of these great power companies in North Carolina. He admitted that after he withdrew from the partnership with his father-in-law, having continued for years after the knowledge of his connection, he then formed a copartnership with another man who was an attorney for the Power Trust.

Mr. WALSH of Montana. Mr. President, I ask that there be incorporated in the RECORD chapter 164 of the laws of North Carolina for the year 1913.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

CHAPTER 164

AN ACT TO PREVENT CORRUPT PRACTICES IN THE PRIMARY, SPECIAL, GENERAL, AND OTHER ELECTIONS

The General Assembly of North Carolina do enact—

SECTION 1. That any person who shall hereafter, in connection with any primary, special, general, or other elections held, being held, or about to be held in the State of North Carolina, do any of the acts and things declared in this section to be unlawful, shall be guilty of a misdemeanor and, upon conviction, shall be fined or imprisoned, or both, in the discretion of the court. It shall be unlawful for any person,

(a) To fail as an officer or as a judge or registrar of election, or as a member of any election or canvassing board, to prepare the books, tickets, and return blanks which it is his duty under the law to prepare, or to fail to distribute the same as required by law, or to make the returns, or perform any other duty within the time and in the manner required by law;

(b) To continue, or attempt, to act as a judge or registrar of election, or member of any election board, after having been legally removed from such position, and after having been given notice of such removal;

(c) To break up or by force or by violence stay, or interfere with, the holding of any election, or with the possession, by the proper officers, of any ballot boxes or election books, or tickets, or return sheets, by those entitled to the possession of the same under the law, or to interfere in any manner with the performance of any duty imposed by law upon any election officer or member of any election or canvassing board;

(d) To be guilty of boisterous conduct so as to disturb any member of any election or canvassing board, or any judge or registrar of election, in the performance of his duties as imposed by law;

(e) To bet or wager any money or other thing of value on any election;

(f) To directly or indirectly discharge or threaten to discharge from employment or otherwise intimidate or oppress any legally qualified voter on account of any vote such voter may cast, or consider casting, or intend to cast or not to cast, or which he may have failed to cast;

(g) To directly or indirectly spend or contribute any money or other thing of value to aid in the campaign or election of any candidate for any office in a primary or in a general election unless the same be reported immediately to such candidate, to the end that it may be reported by him in the reports required of him by law, or unless such contribution shall be reported to the campaign committee of such candidate within the meaning of "campaign committee," as herein defined. The term "campaign committee," as used in this subsection, shall embrace only such committees as are designated by candidates for office before primary elections and reported to the secretary of State at least 30 days before such primary election by those who are candidates for any office embracing a greater territory than a county, and reported to the clerk of the superior court in the county of the candidate at least 30 days prior to the primary election by those who are candidates for any office to be voted for only by the electors in a particular county or subdivision thereof. It shall be the duty of each candidate to receive from such campaign committee, and of each campaign committee of each candidate to give to the candidate appointing such committee, all the information they may have, and for such campaign committee and candidate to embrace such information in the reports required of them by law, and it shall be unlawful for the candidate and the members of his campaign committee to fail to do so;

(h) Who is a candidate or member of the campaign committee to fail to report under oath, within the time required by law for the report from such candidate, the amount of money received in connection with or in aid of his campaign, and the sources thereof, and for what purposes the same has been applied. That the report to be made by the campaign committee of any candidate before the primary shall be made in duplicate, one copy thereof to be filed with the candidate and one copy to be filed with the officer to whom said candidate is required to report, and is to be made within the time required for a report from such candidate;

(i) Who is a candidate for any political office before a primary to expend or knowingly assent to or permit the expenditure of more than 50 per cent of what the annual salary of such person will be if elected to the office for which he is a candidate, except that a candidate for governor and a candidate for the United States Senate may spend or allow others to spend a total amount which shall not be greater than the annual salary would be if the candidate were elected to such office, and such candidate may lawfully pay in addition his transportation expenses and board and lodging bills while campaigning for such office.

(j) Who is a member of any executive committee or managing committee or other committee of any political party within the State of North Carolina for any county or subdivision of any county in said State, to fail to report to the clerk of the court of such county not more than 15 nor less than 10 days before any general election the amount of money received by such committee for campaign purposes, and within 20 days after the election to make a similar report of money received and from whom, and the purposes for which the same was used; such report is to be made under oath by the secretary or chairman of such committee, who has full knowledge of all the details of the committee's affairs; or for any chairman or secretary of such committee of a political party having a territory embracing more than one county to fail to make, within the time required by law, similar reports to the Secretary of State.

(k) For any person to publish in any newspaper or pamphlet, or otherwise, any charge derogatory to any candidate, or calculated to affect the candidate's chances of election to office, unless such publication be signed by the party giving publicity to and being responsible for such charge.

(l) For any person to publish or cause to be circulated derogatory reports with reference to any candidate known by the person publishing or circulating such report to be false, when such report is calculated or intended to affect the chances of such candidate for such office.

(m) To give or promise, in return for political support or influence any political appointment or support for political office.

SEC. 2. That any person who shall hereafter, in connection with any primary, special, general, or other election held or being held, or to be held in the State of North Carolina, do any of the acts and things declared in this section to be unlawful, shall be guilty of a felony, and upon conviction shall be imprisoned in the State's prison for not less than four months or fined not less than $1,000 dollars, or both, in the discretion of the court.

It shall be unlawful for any person—

(a) To fraudulently cause his name to be placed upon the registration books of more than one election precinct, or to fraudulently cause or procure his name, or that of any other person, to be placed upon the registration books in any precinct when such registration in such precinct does not qualify such person to legally vote in such precinct, or to falsely impersonate another registered voter for the purpose of voting in the stead of such other voter.

(b) To give or promise or request or accept at any time before or after any such election any money, property, or anything of value whatever, in return for the vote of any elector or electors.

(c) Who is an election officer or a member of the canvassing or election board or other officer charged with any duty with respect to any election to knowingly make any false or fraudulent entry on any election book, or any false or fraudulent return, or to knowingly make, or cause to be made, any false statement on any ticket, or to do any fraudulent act, or knowingly and fraudulently omit to do any act or make any report legally required of such person.

(d) To knowingly and falsely swear with respect to any matter pertaining to any such elections.

(e) To falsely make or present any exemption from poll tax, or any tax receipt, or certificate, or other paper to fraudulently qualify any person as an elector, or to attempt thereby to secure to any person the privilege of voting.

SEC. 3. That any person subpœnaed by the State to testify shall be required to testify, but such person shall be immune from prosecution and pardoned for any violation of law about which such person is so required to testify.

SEC. 4. That this act shall be in force and effect from and after its ratification.

In the general assembly read three times and ratified this the 12th day of March, 1913.

Mr. WALSH of Montana. Section 1 of this act provides:

That any person who shall hereafter, in connection with any primary, special, general, or other elections held, being held, or about to be held, in the State of North Carolina, do any of the acts and things declared in this section to be unlawful, shall be guilty of a misdemeanor and, upon conviction, shall be fined or imprisoned, or both, in the discretion of the court.

It shall be unlawful for any person—

And so forth.

Subdivision (j) reads as follows:

Who is a member of any executive committee or managing committee or other committee of any political party within the State of North Carolina for any county or subdivision of any county in said State, to fail to report to the clerk of the court of such county, not more than 15 or less than 10 days before any general election, the amount of money received by such committee for campaign purposes, and within 20 days after the election to make a similar report of money received and from whom, and the purposes for which the same was used; such report is to be made under oath by the secretary or chairman of such committee, who has full knowledge of all the details of the committee's affairs; or for any chairman or secretary of such committee of a political party having a territory embracing more than one county to fail to make, within the time required by law, similar reports to the secretary of state.

Mr. MORRISON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the junior Senator from North Carolina?

Mr. WALSH of Montana. I yield.

Mr. MORRISON. I ask the Senator, great lawyer that he is famed to be throughout the Republic, if Mr. McNinch gathered together a few Democrats who may have contributed and helped toward a common purpose, whether or not that in his opinion constitutes a political party within the meaning of that act?

Mr. WALSH of Montana. What constitutes a political party is rather a troublesome question at any time or at any place.

Mr. MORRISON. And if that has not been the interpretation of the best lawyers of North Carolina who were considering that question under the law of North Carolina.

Mr. WALSH of Montana. We may differ entirely from one another, but the language of the statute is perfectly plain. That a lot of people get together and raise money and spend money for the election of a candidate for office, and then escape upon the ground that they do not represent a political party, is rather an attenuated technicality upon which to evade the plain requirements of the law.

Mr. President, the situation is simply this: Mr. McNinch before the election, evidently recognizing not only the obligation of the law but the moral obligation in the premises, promised the people of the State of North Carolina that when the election took place he would then report the contributions he had and the disposition he made of them. After the election was had, he again failed and neglected to do so, not only disregarding the provisions of the law but disregarding his own promise to the electors of the State of

North Carolina. Then when he is called upon by the attorney general of the State, who construes the law as requiring him to do so, he seeks to get out of it upon what ground? Not upon the ground now advanced by his advocate here, the junior Senator from North Carolina [Mr. MORRISON], not upon the ground that he was not the chairman or the representative of a political party, but upon the ground that he was unable to find out who gave the $6,000 to Mr. Morehead and the $2,000 to Mr. Wood. That was the reason he offered for failing to file his report.

Now we find him continuing in his failure to make any disclosure whatever of the source from which these funds came until he is called upon here, and the only reason he can now give for failure to file the report is because he suspects that the $6,000 he got from Morehead did not belong to Morehead, but that somebody else gave it to him and he could not find out who gave it to Morehead. That does not excuse him. All he had to do was to state he got the $6,000 from Morehead. That is a lame excuse for failure to file the report.

These considerations, however they may address themselves to anyone else, convince me that this man ought not to be appointed to this responsible position.

Mr. MORRISON. Mr. President, I listened to the speech of the great tribune of the people this morning with great pleasure; but there was, in my opinion, one omission which, if he had not made it, would have made it a very great speech, and that is that there are power companies and power companies, just as there are different men. As to the so-called Power Trust and the evil practices in which it seems there is some evidence that it indulges over the country I stand ready to do battle with him in this body against them in every possible manner. But there are power companies who are doing good and noble things, and not wicked and corrupt things.

The Duke Power Co. has its headquarters in my city. Mr. Duke, who founded it, died without ever having drawn 5 cents from that great development. Before he died he created the Duke Foundation, giving $40,000,000 to charitable and educational purposes. When he died he left two-thirds of all he had remaining to that foundation; the other one-third to a lovely young daughter, the remainder of which one-third, if she should die without issue, would go with the rest of it to this foundation. Whatever Mr. Duke may have done which people may criticize as to the way in which he accumulated that wealth, he certainly left it to a good cause. When we are talking about the Duke power interests and the Dukes, we are but attacking men who live only in their deeds. They are all gone.

The Duke Power Co. in my State belongs very largely to humanity. There is not an organization upon this earth, unless it be purely religious, which is doing a nobler or better work than the Duke Power Co. and the Duke Foundation.

I would scorn to stand in this body and hear this noble man traduced by anybody. I deny that that power company or anybody connected with it did anything corruptly for anyone in the election of 1928. If anybody connected with it contributed a few hundred dollars to Mr. Hoover's campaign it would be no reflection upon the Hon. Frank McNinch to have received it and would constitute no evidence of any corrupt relation between him and the power company.

That is the trouble about this matter. It is all right to assail the wicked, but it should be done in such terms as not to create prejudice against the innocent and the good. I stand in the Senate of the United States ready to vote, so far as I know, with the progressives in the country upon the Democratic platform for the proper regulation and control of the power industry. I have advocated on the stump, and in the very city where this power plant is situated, the completion of Muscle Shoals and its operation by the Government. I think the power people have made a monumental mistake to oppose the proposition that that shall be done. But it is all wrong to create a prejudice against any legitimate industry of the country until the hearts of our people are filled with hate of any group of men who contribute to the glory and power and strength of our people.

In my State they are just completing a contribution for this year of $1,300,000 to humanity through the hospitals of North Carolina and South Carolina. That is an annual thing. There is no institution in the world coupled with business doing more for the suffering and the distressed than the Duke Power Co. in North and South Carolina. If the people of my State desire a demagogue here for fear that some uninformed person may think that their Representative stands here for some Power Trust, I do not want to be here in that way.

They are just finishing the construction of a university which will bear Mr. Duke's name. I do not care how he got his money. That is not the question here. I do not care what he did to make it. He made it. They are finishing the construction of a university there which in physical magnificence and completeness will rival any in the world. The men who are doing this and the other things to which I have referred are giving hundreds of thousands of dollars to the broken-down and disabled Methodist preachers of North and South Carolina.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Montana?

Mr. MORRISON. I yield.

Mr. WALSH of Montana. I recall that we were often regaled with the munificent charities which characterized the life of Edward L. Doheny.

Mr. MORRISON. Yes; and when the Senator compares James B. Duke with him, he is doing that, if the Senator please, which he should be sorry to do.

Mr. WALSH of Montana. I merely interposed the remark to show that it is entirely irrelevant to the question before us.

Mr. MORRISON. I understood, and that is the trouble with such statements as that one.

J. B. Duke passed away leaving as a vast monument for his regard of humanity the institutions in North Carolina to which I have referred. I know it is said that he was ruthless in business, but whatever he accumulated by ruthlessness he gave more of it to humanity than any capitalist who ever walked the soil of the United States in proportion to his wealth. I hurl back at these gentlemen proudly the declaration that there is not a man, woman, or child in North Carolina who thinks of Duke and the Duke Foundation as they do.

The Duke people in North Carolina are not in politics. I say to the Democratic Senators who are here about me, honoring me by listening to me, that they may be pleased to have my brilliant friend, Mr. Bailey, the Senator from North Carolina, here instead of me. They may talk about him as being the leader, if they will. He is brilliant and able. But every one of those people who live in North Carolina, except two Republicans who are being attacked, helped to send Mr. Bailey here.

Those people are not in politics. Mr. Wood is to be blackened. I know him. He will be hurt. There is not anybody on earth who can control his conscience. If it could have been done in the election of 1928 I would have done it. But as honestly as I worked for Smith, he fought him. He made a contribution of $1,800 out of his own money. I stand here to defend him from any insinuation that there was any dirty thing about it.

Mr. Gossett contributed $500. What if he did contribute it? The Senator refers to my interest in the power company. I spent more money for Smith than all of them spent against him. I spent it honestly. Five hundred dollars from Mr. Gossett! Where did he get the money? It was loaned money, as was the whole amount of it in that great State, $30,000. Why was it not reported? Mr. McNinch told you, and whatever is in that record that he told you is the truth.

Reference has been made to my having referred to him as being an elder of my church. What has that to do with it? His character has this to do with it, that if he is a man of character, if he is a man of principle, he has the first

great qualification to hold this delicate and responsible public office. I fought him all over North Carolina, until our sweet personal and neighborhood relations were well-nigh broken. He is an honest man, and no man in the county or city where he lives would dare assert to the contrary and face that upright community, for his character towers there as brightly as that of the finest citizen in it.

It is said he did not make a report of campaign expenditures. If he were not required by law to do it, that ends it. As a matter of fact, I know how gentlemen who do not know the parties would be suspicious about it. Mr. McNinch, however, had about as little to do with the practicalities and finances of that campaign as anyone could have had and been connected with it at all. He was the orator of the campaign, leading the intellectual debate, and practicalities were being run by other gentlemen. He did not dominate them either, and he could not dominate them, for they were strong, virile men themselves. The name of Mr. C. H. Ireland is synonymous with uprightness and character throughout North Carolina. He was greatly aroused over Governor Smith's nomination; but, Democratic Senators, may I say when I closed my speech in the last campaign, before a great crowd in Greensboro, he was the first man to throw his arms around me, and we had a reunion of our Democratic spirits? He is an honest man; he is no man's creature; his character is as spotless as any man's within my State. I stand here to defend him, my friend of a quarter of a century. He has been connected with well nigh every civic, religious, and righteous movement that has stirred my State in my day. Yet the attempt is made to show that somebody who swapped dollars with the Duke Power Co. contributed a few hundred dollars. He, however, never got a dollar; he never handled a dollar; but when the campaign was over he wanted a report made. Mr. Wood states that he was advised he did not have to do it. He collected the money. He stated that McNinch told them not to get any money from Republicans, but he did not agree with him, and had done so; that he would not tell him where he got it, and he would not give it to him.

As to Mr. Morehead, he contributed powerfully to our success in the great county of Durham. He is a young lawyer of high character. Mr. McNinch could not pull him around by the nose. They gave the money to C. H. Ireland and not to McNinch.

Senators may not like some aspects of that situation, but a little circumstance like that, considered by itself away from the environment and the surroundings, ought not to be permitted in this high body to drag down the character of refined people such as inhabit my State.

Mr. President, Mr. McNinch is a very intelligent man. I have not liked many of the appointments which have been made to Federal boards from my section of the country. McNinch is the best appointment the President has made. He is intelligent, nonorable, upright, and steadfast in his opinions. He is not a Republican and never will be. However, he is an independent man who things for himself and grants other people the same privilege. He has no connection with the power interests, and when the Senator reads from the record what they recorded me as there saying and tries to connect him in any way improperly with me, I am sure he does not understand the facts.

I said that Mr. McNinch had not even personal friendships or close relationships with anybody who had any stock in the company or connected with it except me. He lives immediately across the street from me; we are friends but have no business relations whatever. I would as soon undertake, if I were dog enough to do that sort of thing, to approach any honorable justice on the highest courts of this land as to try to touch the white life of my neighbor and friend for any corrupt purpose.

This is a political fight upon Mr. McNinch, pure and simple. It is made by my friends, whom I love, because they think we are voting that he is a Democrat. There is not one of them who themselves would vote that he was a Republican if they really understood the issue. There is some difference about it, but I know they are my friends. However, I want to say, in all sincerity, that this is a serious matter from the standpoint of justice to a good and able man, and also from a party standpoint. All the other questions will be overlooked. Down in my section of the country the question will be that the Democracy of this country holds that a Democrat who scratches his ticket twice is a Republican. If that be so, North Carolina is Republican by 100,000 majority; and there are few States in this Union where a majority of the members of both parties at times have not scratched their tickets.

I am a party Democrat. I am going to cooperate with my party here just as far as my conscience will let me, and I hope I shall not follow them one step farther. I am a national committeeman as well as a Senator from North Carolina, and I will tell Senators that if the Democratic Party says to followers in North Carolina of Frank McNinch and the Hon. F. M. SIMMONS, notwithstanding 130,000 of them came back and helped us carry the State by an unprecedented majority, that they are Republicans, they are not acting in the interest of the party, and such action will not help the party anywhere. All of these other little things will be forgotten.

Now, as to the Raleigh Observer, I have been swapping fur, to use a vulgarism, probably unbecoming to this high place, with its editor for many years. He is looking for some opportunity to jump on me, and always has done so; but I ask him no odds before the conscience of North Carolina over whether Frank McNinch is a Republican or not. If he wants to put it to a test before the Democrats of North Carolina in a senatorial contest, I invite him forward, and promise to entertain him to the best of my ability.

He has been attacking the Dukes; he commenced it before Mr. Duke died, and although Mr. Duke is dead he can not quit it. He does not yet know that Mr. Duke is dead and has gone. He tries in the article in his newspaper to connect me with the Power Trust. My record will show, when the progressives of this body get into action, where I stand on a proper regulation and control of the power industry in this country.

However, Mr. President, Frank McNinch is a clean, honorable man, and I could not withhold my indorsement of him. I want to say furthermore that while I am a Senator upon this floor I shall take pleasure in helping confirm any North Carolinian of character and capacity for any position with which the President of this country may see fit to honor my State.

One newspaper in North Carolina said that I opposed Senator SIMMONS and was largely responsible for his defeat, and yet I was supporting McNinch or his party, not differentiating between a nonpartisan commissioner and the leadership of my party.

I want to say, in reply to that fallacious and foolish piece of smartness, that I criticized the President in the late campaign as severely as a good man ought to criticize the President of his country, because he did not recognize the South, but continued the sectional policy, as I saw it, of his party in discriminating against the South, declaring that there were many able Republicans in the South who would have even adorned his Cabinet, but he did not recognize them; that if he could not find Republicans of the caliber which he sought, he certainly could find among the Hoover Democrats who helped make him President somebody who would be competent to sit around his presidential conscience and enlighten him as to conditions and desires of the southern people. Now when he has appointed one of the ablest men in my State to a high position, I could not be guilty of hypocrisy, for political reasons, by not trying to confirm him. I am ready to vote to confirm any competent man from my State, and it would give me great pride if the President would call into his highest council another great Hoover Democrat in North Carolina, as they are called, who could serve the country with ability, and I know would serve it with fidelity.

Mr. President and Senators, it has been a source of great regret to me that I had to trespass upon the attention of this body in almost the hour of my entrance; but conditions

there made it necessary for me to do it. I could not help it. I do not want you to think that I did not desire to respect what I understand the traditions of this great body require, that I should wait a while; but this matter is a great storm down there, a political storm. Mark my words: My vote here was necessary to keep from insulting a hundred thousand of the best people in North Carolina who honor McNinch, and believe he is fit and worthy.

I hope, Senators, that we will advise the President that we consent to his confirmation.

Mr. BARKLEY. Mr. President, I hope no Senator will conclude from what I am about to say that I am in any way attempting to influence his vote upon this nomination. I am utterly indifferent, as far as I am concerned, how any Senator votes; but having made up my mind how I am going to vote, I wish the RECORD to show the reasons why I expect to cast that vote.

In the first place, I wish to say that I never heard of this man McNinch until he was appointed to this position by the President; and if I had been compelled to cast my vote upon the nomination by reason of what I heard about him from rumor before we held the hearing, I should probably have voted against him. But I heard the testimony, as a member of the Committee on Interstate Commerce, of these various appointees of the President to the Power Commission; and I am frank to say that after hearing Mr. McNinch make his statement before the committee I reached the conclusion that I would have made a mistake if I had voted against him without further knowledge.

I am not enthusiastic about Mr. McNinch any more than I am about any of the rest of these appointees, because with reference to all of them I am somewhat in the attitude of the man who was sentenced to death, and, when asked whether he preferred to be hanged or electrocuted, replied that he was not enthusiastic about either plan.

This man McNinch was not an applicant for this place. I think in all fairness we ought to state the real facts about the matter. I am not concerned about him one way or the other. I do not care whether you confirm him or reject him; but he was not an applicant for this place. It was offered to him in July, and he declined it on the ground that his circumstances were such that he did not desire to accept the place. The appointment was not filled until a couple of weeks ago, I think, two or three weeks ago, when the President again offered him the appointment; and upon reconsideration he decided to accept. So his name was sent in, and he came at the invitation of the committee, as all the other nominees did, to be examined by the committee.

Personally, I regret, as a member of the committee—and I am as guilty as anybody else—that we did not go further into his views about the question of the great power interests of the country. The reason why the committee did not do that was because the opposition to his nomination was largely political; and the committee went off after that phase of it, and did not really go into the question of his views, except more or less incidentally.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BARKLEY. I do.

Mr. COUZENS. May I draw to the Senator's attention the fact that during the hearings of Mr. McNinch we went very intimately into his administrative ability.

Mr. BARKLEY. I am coming to that. I think it is fair that that ought to be stated.

As a member of the committee I cross-examined Mr. McNinch rather severely; not only on this phase of his activities but with reference to this report which has been the subject of comment here, which he failed to file in North Carolina. I say frankly to the Senate, as I said to him, that I think his reason for not filing that report was not sufficient. It did not satisfy me. I took the position with him that in view of the natural suspicion that would be aroused by his failure to disclose the names of these contributors, he owed it to himself to make the report.

The truth of the matter is, that was rather a hot campaign down there. I imagine everybody got mad, and Mr. McNinch may possess as much stubbornness as a good many other people, and he got the notion that they were trying to make him do something that the law did not require him to do. I think, in all frankness, he was a little stubborn and bullheaded about not making the report; but, while that is true, I do think the man made an honest effort to find out who these men were who contributed the money to Mr. Morehead and to Mr. Wood. I do not think that offers a sufficient reason for his failure to file the report, because it would have been an easy matter for him to have justified himself by filing the report and then stating that as to these items he had been unable to obtain the information which he was seeking.

Mr. WALSH of Montana. Mr. President——

Mr. BARKLEY. I yield to the Senator from Montana.

Mr. WALSH of Montana. Let me inquire what reason he had for supposing the money did not come from the persons who gave it to him? What reason had he for supposing that the amounts were contributed by some one other than Morehead and Wood?

Mr. COUZENS. Mr. President——

Mr. BARKLEY. I am not certain how that information came to him, but it did come to him. The Senator from Michigan can enlighten the Senator.

Mr. COUZENS. I think the testimony will show that the transmittal of the checks to the committee said that they were collected from miscellaneous persons.

Mr. BARKLEY. Yes; that is true.

Mr. COUZENS. He wanted to know who the miscellaneous persons were.

Mr. BARKLEY. Morehead did not send this amount to McNinch personally. He sent it in to this committee at Raleigh, and in the letter of transmittal it was stated that it represented amounts collected from various individuals whose names were not given. Later, when Mr. McNinch called upon Mr. Morehead for the list of the contributors, as has already been stated, he said that the amounts had been contributed from business men who were not interested generally in politics, and, like many business men, do not want their names identified with political campaigns, and he had accepted the contributions under the condition that he would not reveal their names.

As I say, I do not justify Mr. McNinch on that ground for not filing the report. I think he ought to have filed it; but, not having filed it, is that in itself or is that as a contribution a sufficient reason for refusing to confirm him here, unless in the contributions there is something sinister or something that would connect him in some way with an industry or an institution that would make him unfitted for this place?

In all frankness, I do not think the failure to disclose the names or the circumstances of their contribution or collection offers justification for rejecting Mr. McNinch as a nominee, in spite of the fact that I do not think his reasons were sufficient.

With reference to the names, this man Wood is a big banker in Charlotte; and the testimony shows that he has no connection with any power company, but as a banker his bank accepts the deposits of one of the Duke institutions down there. I do not know of any banker in my State who would turn down a deposit like that; and I do not know of any banker who, by reason of the acceptance of that deposit as a banker, interested in the welfare of his bank and in the dividends of his stockholders, would turn it down. I do not see how that can connect McNinch with the power company, and I do not think it does.

Mr. WALSH of Montana. Mr. President, will the Senator suffer an interruption?

Mr. BARKLEY. Yes.

Mr. WALSH of Montana. Will the Senator tell us what the fact is about the statement made in the Josephus Daniels article, as follows:

> Senator MORRISON largely put his action on the ground that he is "member of the Presbyterian church of which McNinch is an elder. Denied McNinch vote had any connection with power interests except through me, I being a heavy stockholder in the Duke Power Co., which is almost a religious and benevolent organization."

Mr. BARKLEY. I imagine that the Senator from North Carolina could explain that better than I can; but my understanding of what he meant was that they lived across the street from each other, and if that could be interpreted as any connection, simply as a neighbor and friend, that was the only connection he had. I do not understand that it represented any business connection.

Mr. WALSH of Montana. Are we to understand that the junior Senator from North Carolina testified that he was himself a large stockholder in the Duke Power Co.?

Mr. BARKLEY. He did testify that his wife is; yes. I think the Senator frankly says that his wife is a stockholder; but I will say further that I do not think the editorial referred to in the Raleigh Observer correctly quotes the Senator from North Carolina.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Iowa?

Mr. BARKLEY. Just a moment.

So I do not think the testimony by any fair inference can connect this man with any power industry or the Duke interests; but he has held office down there, and I think his conduct as an officer at least is a fair indication of how he may feel in an official capacity about power.

Charlotte—all North Carolina, so far as that is concerned—is a large headquarters of power activities. We know that the State of North Carolina has been one of the pioneers in the development of water power and hydroelectric power. I imagine it would be difficult to find any large business man or any eminent lawyer in the State who at one time or another had not had some professional or business connection with somebody interested in a public utility; but it so happens——

Mr. MORRISON. Mr. President——

Mr. BARKLEY. It so happens, according to the testimony, that this particular man, although one of the ablest lawyers in the city of Charlotte and at one time a member of one of the largest law firms there, has never even represented them in a lawsuit in the courts of North Carolina. He was, however, elected mayor of the city of Charlotte, and on three occasions he did have occasion to deal with this question as an official, and those three occasions were when the Southern Power Co. and the Southern Public Utilities Corporation and the Bell Telephone Co., two of which are owned by the Duke interests, undertook to raise electric-light rates and gas rates and telephone rates in the city of Charlotte. On all three of those occasions this man, as mayor, fought them, not only in the city council, in the local legislative branch of their city government, but he fought them through the highest courts and even went to New York and employed an expert to come down there and make a survey of their conditions in the city of Charlotte, and, based upon the report of that expert, fought these interests through the courts of that State in opposition to the increase in the light and gas and telephone rates in the city of Charlotte.

In his testimony before the committee he said that not only did he do that as mayor of the city but he did it in conformity with his own personal views on the subject. So I think, in all fairness, that the effort to connect this man with any power interest has collapsed. In my judgment, it has collapsed.

Now, what about the political phases of it?

Mr. MORRISON. Mr. President——

Mr. BARKLEY. I yield to the Senator from North Carolina.

Mr. MORRISON. I understood that the Senator from Montana asked about me. I never said that I owned a lot of stock; but, in justice, and that the Senate committee might understand all about it, I said that my wife owned some stock in the Duke Co.—not a large amount, though substantial—and that I thought they ought to know it, and that Mr. McNinch had no friends even among anybody connected with it, except that he and I were neighbors and friends, and I had this stock; that is all.

Mr. BARKLEY. That is the way I understood the reference of the Senator, and I think the committee understood that; but if the Duke interests in North Carolina were the crookedest aggregation of men that ever got together in any business enterprise, unless it can be shown that this man has been in some way connected with them, it certainly has no bearing upon his qualifications.

Now, as to the political phases of this nomination. We all feel more or less embarrassment in reference to any fight that is made on a man because of his political record. I think I have the right to speak on that subject, because in the convention which met in the city of Houston, which nominated Governor Smith, I seconded his nomination as a delegate from the State of Kentucky. I was his campaign manager in the November election which followed, for the State of Kentucky. While I was in the city of San Francisco on vacation I was called up over the telephone from the city of New York by long-distance telephone and asked to take a place on the executive committee of the campaign in 1928, to come to New York, and sit in a quiet and safe place in the General Motors Building, to help run the campaign in behalf of Governor Smith. I accepted that invitation and agreed to go. And I was preparing to join the committee in New York to help conduct the campaign. But within a few days after that the State committee in the State of Kentucky met, and, without my knowledge or consent, and without ever notifying me about it, appointed me as the campaign manager for Governor Smith in the State of Kentucky. I did not thereafter go to New York to occupy a safe place far from the scene of battle, where probably I would have been subject to no criticism. I went directly to my State of Kentucky and assumed charge of the campaign in the State in favor of Governor Smith. Not only did I do it in headquarters, but almost every day I worked in headquarters until late in the afternoon, then frequently rode by motor 75 to 125 miles to make a speech in his behalf and back to headquarters before retiring for the night. I did that for two months. I never apologized for it and would do it again under the same circumstances. So I think I am qualified to speak as a Democrat who supported, to the extent of his ability, the candidacy of Governor Smith. I worked harder for his election than I ever worked for my own election in any campaign in which I ever engaged in the State of Kentucky.

The result of that campaign was that the State, normally Democratic, went for Mr. Hoover by 178,060 majority, and I say frankly, on account of the bitterness of that campaign, that if I had been a candidate the next day for any office in the State of Kentucky I could not have been elected, and I am not certain yet that I can be. But for two years in the State of Kentucky, ever since that campaign, I have been seeking to harmonize all the elements of the Democratic Party in Kentucky, regardless of how they ever voted in the past, and so has every other Democrat who has had any sense of responsibility.

We have a law in the State of Kentucky, which has been on the statute books for 16 years, which provides that if any man in any political party in any general election votes against any candidates of his party, he can not vote in the next primary election held by that party. I went before the State Democratic committee in Kentucky and made a speech, and not only went before that committee but elsewhere in the State of Kentucky, urging every election officer in the State of Kentucky to ignore that statute, not to bar any Democrat because of the way he had voted in the campaign in 1928 or any other campaign.

No question was raised in the next primary as to how any man had voted. We had county elections all over the State. We elected a State legislature, and, by reason of our efforts at party harmony, we were able to elect a Democratic legislature by a majority of 2 to 1, and we elected our party tickets all over the State, and, by the same process, we have been able to send to this body two Democratic United States Senators to succeed a Republican.

In every campaign we make we go out and urge Republicans to vote for us, but if now and then they do it, we do

not say that they are for that reason Democrats. Out in the State of Illinois on the 4th of November, I imagine that anywhere from 500,000 to 750,000 Republicans voted for Senator James Hamilton Lewis against the Republican nominee. Oh, we thought that was a wonderful thing to get all those Republicans to vote for the Democratic candidate. But I ask any Democrat if he regrets the fact that that many Republicans in that State voted for the Democratic candidate. They still believe they are Republicans, and I dare say that the junior Senator from Illinois [Mr. GLENN], who this morning severely castigated the Senator from Nebraska because of his political record, will not go back into Illinois and tell those 500,000 Republicans that they are not Republicans.

Why not be frank about this? Why boast of a Democratic accomplishment if we can persuade some Republicans to vote for us when we are running for office, but say it is a sin against the Holy Ghost if a Democrat now and then strays off and votes for some Republican. I am not willing to occupy any such position, as far as I am concerned.

Aside from that, however—and I do not contend that one bad example justifies another, but the Republican Presidents have not been the only Presidents who have violated the so-called rule of propriety with reference to appointing weak-kneed members from the minority party to bi-partisan commissions.

There is no man whose memory I worship more profoundly than I do the memory of Woodrow Wilson, but I recall that in the campaign of 1916 the Hon. Victor Murdock, of the State of Kansas, voted for President Wilson against Charles Evans Hughes, and thereafter President Wilson appointed Mr. Murdock as a member of the Federal Trade Commission, and no Democratic Senator then raised a question of its propriety or voted to reject Mr. Murdock because he did not represent the outstanding element of the Republican Party.

Mr. William Kent, of California, was a Republican Representative in Congress, who, according to my recollection, voted with us Democrats in the passage of the Underwood tariff bill and later supported Woodrow Wilson against Charles E. Hughes in 1916. President Wilson appointed him as a minority member of the Tariff Commission. He was confirmed by the votes of Democrats in this body. You did not raise the question of party regularity against him.

We are going to have here after the 4th of March Mr. Edward Costigan, an outstanding and able citizen of the State of Colorado as a Democratic United States Senator, and we will all welcome him with open arms; but up until 1916 he had been a Republican, but in that campaign he voted for President Wilson. Thereafter Mr. Wilson appointed him as a minority member of the United States Tariff Commission, and he recently was nominated for United States Senator by the Democratic Party and is coming here as a Democratic United States Senator. We rejoice at this.

In 1893, when Grover Cleveland was inaugurated President of the United States for the second time, he appointed a man from Indiana by the name of Walter Q. Gresham, who had up to that time been a Republican but supported Cleveland in that campaign against Benjamin Harrison, and Mr. Cleveland made him Secretary of State. I do not recall that any Democrat objected to his confirmation on that account.

Mr. President, let us be consistent. Let us not take the position, after 15 or 20 years of the record of all Presidents, Democratic and Republican, where there has been no serious objection on account of the way the men voted at a previous election—let us not pick this man out, and I am not willing to pick this man out, for punishment and chastisement when we have not administered the same type of punishment to others. If the Democratic Party ever gets control of this Government again, we must appeal to men and women who have heretofore voted as Republicans. I am not willing to punish a Democrat under these circumstances for doing once or twice what we seek to persuade Republicans to do all the time.

A year or so ago the President sent here the name of former Governor Colquitt, of Texas, for membership on the Board of Arbitration and Conciliation, who, though having been a former Democratic governor of that State, stumped Texas in behalf of Mr. Hoover in 1928. But he was confirmed even without a roll call, because no Democrat on this side objected to him.

The time may come when we Democrats may become suddenly virtuous on this subject, but we have not followed this virtuous rule heretofore—and I do not think this is the time to begin, and for that reason I am going to vote for the confirmation of this nominee.

Mr. WHEELER. Mr. President, if Senators are talking about punishing some Democrat, it might be well to start in on me, because I bolted the ticket in 1924, when John W. Davis was a candidate for President. That matter was made an issue in Montana in the next campaign, the statement being that I was not a Democrat, that I had bolted the ticket, and I pleaded guilty to the charge. Notwithstanding that fact, the candidate who was running against me in Montana was defeated almost 4 to 1.

Not only that, but I have been requested to go into many States to make campaign speeches for Democrats since that time, and two years ago, when Governor Smith was a candidate for the presidency, the Democratic National Committee sent for me to come to New York, and asked me to make a campaign over Minnesota, North Dakota, South Dakota, Montana, and as much of the western country as I could. I devoted all my time up until within about 30 days of the election, neglecting my own campaign, in order to campaign for Governor Smith.

Let me remind some of the Democrats on this side, who are now thinking of voting against Mr. McNinch because he is not a Democrat, of the fact that Mr. Woodlock was nominated to be a member of the Interstate Commerce Commission. He testified before the committee, I think, that he did not vote for Woodrow Wilson. He voted for Calvin Coolidge, I know. That matter was brought to the attention of the Senate, and Mr. Woodlock was placed on the Interstate Commerce Commission with the Democratic votes on this side, and by the votes of some of the men who are now opposing McNinch for this particular position. Not only that, but in the case of Woodlock he was put upon the Interstate Commerce Commission, if you please, notwithstanding the fact that he was a director of two railroads, and notwithstanding the fact that the law provided that no man should be placed upon that commission who was a director, officer, stockholder, or bondholder of a railroad corporation. Yet Democratic votes put Mr. Woodlock upon the Interstate Commerce Commission.

I went into the Committee on Interstate Commerce, like the Senator from Kentucky [Mr. BARKLEY], prejudiced against McNinch. I had been told, it had been whispered about, that he was connected with the power interests. I sat there and listened to this man's testimony, and, as one who has had a good deal of experience in prosecuting, in examining witnesses, in trial work, I want to say that I have never in all my experience seen a man who was more frank, who was more open, and who was more honest in his answers made before the committee than Frank McNinch was. I can not find it within my conscience to vote against him because of the fact that he may be a Presbyterian elder any more than I could find it within my conscience to vote against Governor Smith because of the fact that he did not belong to the same religious faith to which I belong. I voted for Governor Smith, and if he is nominated again two years from now I will vote for him again, and I still think he would have been a better President than the Republican President in the White House at present. But I am not going to vote to punish McNinch because his conscience bothered him and he felt he could not vote for Governor Smith because he differed from him on prohibition or anything else. I am not going to vote against him because he is a Presbyterian or because he is a prohibitionist and disagrees with me upon that.

The only question in which I am interested and the only question in which I was interested in the committee was, is he connected with the power interests? I challenged those who came before that committee and who came to see me, whispering in private, as to whether or not he was connected with the power interests, and everyone of them told me that they could not bring forth one particle of testimony that he was in the slightest way connected with the power interests; that he had ever been employed by them; that he had ever received a dollar from them. On the contrary, if you please, they said he had been the poor man's attorney, and I think that Senator-elect Bailey said: "Yes; he has been a poor man's lawyer because of the fact that he could not get any of the corporations to employ him." There are some men who could have gone to work for some of the corporations who have not done so. I do not think the fact that a man is not employed by the great corporations of this country should be used disparagingly against him.

What has been the record of the man while he was in public office? He testified before the committee—and it was not controverted and nobody challenged it—that when the question of the reduction of power rates came up he went and fought for a reduction in telephone rates; he fought for a reduction in power rates; he fought to get the street-car companies to recognize the unions. As a matter of fact, he is the one man who came before the committee who has shown any inclination to be against the power interests.

Now, let me call the Senate's attention to another fact. We hear talk about fighting him on the ground that he is connected with the power interests. I never saw the man, except when he was before that committee, and I have not seen him since. I never heard of him before he was appointed by Mr. Hoover; but that is true of all these appointees. On the other hand, if you please, we find that Mr. Garsaud, for whom most of the Democrats voted in the committee, as a matter of fact owed his appointment on the dock board down in Louisiana to Mr. Hecht, who was the president of the public-service corporation, and the public-service corporation was controlled by the Electric Bond & Share Co.

Not only that, but we find that he owes his position to that man, and we find him recommending him for the position he has here to-day. We did not find these Democrats opposing Garsaud, not at all. They were not interested as to whether he was connected with power interests. They were only interested as to whether he was a Democrat or a Republican.

What is the attitude of the Democrats on the power question and where do they differ from the Republicans on that question? Will some one tell me that? That is the matter in which I am interested. What is this man's interest going to be upon the Power Commission? Is he going to be on the side of the people or on the side of the power interests? His whole public record shows, if you please, that he is the one man out of the whole group who has shown any inclination to be against the power interests and on the side of the people wherever the fight came up in that particular State. Much as I was prejudiced against him when I went into the committee, I can not find it within my conscience to oppose him and I do not propose to do so. I am going to vote for him.

I think the Democratic Party is making a serious mistake if it makes an issue out of the question as to whether this man voted for Governor Smith in the last election. If the only issue the Democratic Party has is as to whether or not somebody bolted the ticket in 1928, the Democratic Party will not survive very long. My friends, when there is unemployment in the United States, when the farmers of the country are suffering, the Democrats, flushed with victory, if you please, now want to turn around and punish somebody because he bolted Governor Smith in 1928. Flushed with victory, if the Democratic Party, because of that fact, wants to punish everybody who bolted the ticket, then I say the party will not deserve to win in the next election and will not win in the next election if that is the kind of issue that is going to be made.

Mr. GLASS. Mr. President, it does not surprise me that the Senator from Montana [Mr. WHEELER] takes the view he has just expressed.

Mr. WHEELER. I have made it quite clear that I could not do otherwise very well.

Mr. GLASS. The Senator is not proposing to punish a man because he bolted. Naturally he would take that position because he himself bolted. But I do not think that by bolting he accentuated the attachment which all of us feel for him. I do not think he increased our affection for him by bolting the Democratic ticket in the face of the election of 1924.

We have heard a good many reasons here why this nominee should not be rejected, but we have not heard a single reason why he should be confirmed. There has not been a word said, except in the nature of personal panegyrics, as to the capabilities of this man and his peculiar fitness for this highly responsible position—not one word. We are told that we should not consider the nomination from a political point of view and yet the nomination was made from a political point of view. What Senator is there on either side of the Chamber who would search himself and say in conscience that this man McNinch would have been nominated for this very responsible position had he voted the Democratic ticket in 1928?

I am not in favor of punishing anybody who, in conscience, felt that he could not vote for the Democratic nominee in 1928. My own brother felt that way and acted accordingly. I am not reproaching him nor the tens of thousands of other Democrats in the State of Virginia who felt that they must pursue that course in the election. But I am not in favor of rewarding any one of them because he did pursue that course. The sole question involved here, so far as I see it, is whether we are called upon to reward party defection.

This gentleman was not known outside of North Carolina. I venture the conjecture that he never would have been known to the President of the United States had he not left his party and made himself active in behalf of the candidacy of Mr. Hoover. So, say what you will, and I venture it will not be denied, his nomination in the last analysis is nothing in the world but the reward for party defection and we are asked to confirm that sort of thing. I shall not vote to do it.

The condition in Virginia was not and is not different from the condition in North Carolina. Tens of thousands of Virginians declined to support the nominee of the Democratic Party in 1928 and the State, for the second time since the Civil War, cast its electoral vote for the Republican candidate. Nobody in Virginia is upbraiding or reproaching those tens of thousands of Democrats for exercising their right of independence of the party. Every one of them was cordially invited to return to the party and to participate in the succeeding Democratic primary, and they accepted the invitation and they are just as good Democrats as I am. In the bitterness and tempestuous nature of that campaign they were threatening to turn me out of the Senate, but they did not even nominate a candidate against me, so that I would be very foolish and very ungrateful to undertake here or elsewhere to reproach them for their action on that occasion. But I am not in favor of rewarding any one of them for their action. Whether it be viewed from a Democratic or a Republican standpoint, the sole proposition here is whether we shall confirm this nomination as a reward for the nominee's political action. That is all there is to it.

The Senator who has just addressed us said the other day that all four of these men put together would not make one first-class man on the power commission. There is not one whit of evidence in the hearings nor, as I said, one word upon the floor, except the personal panegyrics to "the elder of my church and my neighbor," to indicate that Mr. McNinch is peculiarly fitted or fitted at all for the discharge of the duties of this honorable and responsible office.

Mr. WHEELER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Montana?

Mr. GLASS. I do.

Mr. WHEELER. I agree that there is not a man in the whole group; but the thing is simply this: If we send him

back, we can not expect to get anybody appointed by President Hoover who will have any peculiar fitness.

Mr. GLASS. At least we might get somebody nominated not as a reward for political action and solely that. We might get somebody nominated not as a reward for party defection.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Tennessee?

Mr. GLASS. I yield.

Mr. McKELLAR. I merely wish to say to the Senator from Montana that that was exactly the same argument used in the Parker case, and yet we got a splendid Supreme Court judge after Mr. Parker was defeated.

Mr. WHEELER. We might differ on that point.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. GLASS. Certainly.

Mr. BARKLEY. There is as much evidence before the committee and as much evidence before the Senate as to this man's ability as there has been as to the other three whom we have already confirmed, and against whom nobody raised any question on account of lack of ability.

Mr. GLASS. No one has urged the objection to any one of the other three that his nomination was due solely and only to the fact that he was guilty of party defection.

Mr. BARKLEY. But if it is the Senator's statement that the sole question ought to be his qualifications, it ought to be raised as to the other three regardless of their party defection or otherwise.

Mr. GLASS. I do not undertake to say that these men are of the type the Senator from Montana [Mr. WHEELER] says they are. I do not know anything about it. With the exception of Mr. Smith, I never heard of one of them before; but here in this bitterly contested case, where if any one of the four should have been prepared to demonstrate his fitness to his friends Mr. McNinch should have been, we have no word to indicate that he is a fit nominee and that he is peculiarly capable of discharging the high functions of this very responsible position. It seems to me, in view of the fact that it was well heralded that this nominee was to be opposed, that it was incumbent upon him to justify his appointment if it could be done. It has not been done as to his fitness. So I say that with myself the sole consideration is as to whether I am willing to reward party defection and whether I would be willing to punish it or not.

Mr. SIMMONS. Mr. President, I want to make this observation. Up to this time I have not heard the qualifications of Mr. McNinch questioned. I do not think any member of the committee who heard his statement questioned his qualifications. If any of them did, they did not make it known and they have not made it known since.

Mr. GLASS. The Senator is mistaken as to that. The Senator from Montana [Mr. WHEELER] who is a member of the committee——

Mr. SIMMONS. No; he is not a member of the committee.

Mr. GLASS. Nevertheless, he said that he is a man of mediocre ability.

Mr. SIMMONS. No; he did not say that. He said that he is the best man of the group.

Mr. GLASS. He said that all of them are men of mediocre ability.

Mr. SIMMONS. Yes; he said that, but there was no question of Mr. McNinch's qualifications, as I assume there was not any question as to the qualifications of those we have already confirmed. No Senator rose here and told the Senate about the three whom we confirmed being eminently qualified and fitted, and nobody raised the question which the Senator from Virginia is now raising against the confirmation of Mr. McNinch.

Mr. President, so far as the World War is concerned, I cast scores of votes in the Senate during the eight years Wilson was in the White House in favor of the confirmation of Republicans appointed by Wilson to office because they had voted for him.

Mr. GLASS. Of course, it was the privilege of the Senator to do that.

Mr. SIMMONS. That is exactly what the Senator says President Hoover did, that he appointed this man—a Democrat—to office because he voted for him. It was a common practice, though censured by the Republicans, during Woodrow Wilson's term for the President to appoint certain Republicans who had bolted their party and voted for him.

The PRESIDENT pro tempore. The question is, Does the Senate advise and consent to the nomination?

Mr. McKELLAR, Mr. ASHURST, and Mr. SMOOT called for the yeas and nays, and they were ordered.

The legislative clerk proceeded to call the roll.

Mr. BLEASE (when his name was called). I have a pair with the Senator from Maine [Mr. GOULD]. Not knowing how he would vote, I withhold my vote.

Mr. GEORGE (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. PHIPPS]. I am advised that he would vote as I expect to vote on this question, and I therefore shall vote. I vote "yea."

Mr. GLASS (when his name was called). I have general pair with the senior Senator from Connecticut [Mr. BINGHAM], and therefore withhold by vote. If permitted to vote, I should vote "nay."

Mr. HASTINGS (when his name was called). On this question I have a pair with the junior Senator from Texas [Mr. CONNALLY]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. HAWES (when his name was called). I have a pair with the senior Senator from New Jersey [Mr. KEAN]. If he were present, he would vote "yea," and if I were permitted to vote, I should vote "nay."

Mr. SHEPPARD (when the name of Mr. ROBINSON of Arkansas was called). The Senator from Arkansas [Mr. ROBINSON] is paired on this vote with the Senator from Pennsylvania [Mr. REED]. If the Senator from Arkansas were permitted to vote, he would vote "nay."

Mr. WAGNER (when his name was called). Upon this vote I am paired with the junior Senator from Missouri [Mr. PATTERSON]. I transfer that pair to the junior Senator from Kentucky [Mr. WILLIAMSON] and vote "nay."

Mr. WALCOTT (when his name was called). I am paired with the Senator from Tennessee [Mr. BROCK]. Not knowing how he would vote, I transfer my pair to the Senator from West Virginia [Mr. HATFIELD] and will vote. I vote "yea."

Mr. WATSON (when his name was called). I transfer my general pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Colorado [Mr. PHIPPS] and vote "yea."

The roll call was concluded.

Mr. TYDINGS. I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. Not knowing how he would vote, I withhold my vote.

Mr. ROBINSON of Indiana. I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence I withhold my vote. If permitted to vote, I should vote "yea."

Mr. CARAWAY. My colleague [Mr. ROBINSON] is unavoidably detained. If present, he would vote "nay."

Mr. FESS. I desire to announce the following general pairs:

The Senator from Illinois [Mr. DENEEN] with the Senator from Iowa [Mr. STECK];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from New Jersey [Mr. MORROW] with the Senator from New Mexico [Mr. BRATTON]; and

The Senator from Vermont [Mr. DALE] with the Senator from Massachusetts [Mr. WALSH].

Mr. SHEPPARD. I desire to announce the following pairs for the evening:

The Senator from Virginia [Mr. SWANSON] with the Senator from Colorado [Mr. WATERMAN];

The Senator from Mississippi [Mr. HARRISON] with the Senator from New Hampshire [Mr. KEYES]; and

The Senator from Florida [Mr. FLETCHER] with the Senator from Oklahoma [Mr. PINE].

Mr. GEORGE. Mr. President, the Senator from Alabama [Mr. BLACK] is necessarily detained from the Senate. If present, he would vote "yea."

The result was announced—yeas 46, nays 11, as follows:

YEAS—46

Barkley	Gillett	McGill	Smoot
Blaine	Glenn	McNary	Steiwer
Borah	Goff	Morrison	Thomas, Idaho
Brookhart	Goldsborough	Moses	Thomas, Okla.
Bulkley	Hale	Norbeck	Townsend
Capper	Harris	Norris	Trammell
Carey	Heflin	Nye	Vandenberg
Couzens	Howell	Oddie	Walcott
Cutting	Johnson	Ransdell	Watson
Davis	Jones	Sheppard	Wheeler
Fess	Kendrick	Shortridge	
George	La Follette	Simmons	

NAYS—11

Ashurst	Dill	King	Wagner
Broussard	Frazier	McKellar	Walsh, Mont.
Caraway	Hayden	Pittman	

NOT VOTING—38

Bingham	Glass	Metcalf	Smith
Black	Gould	Morrow	Steck
Blease	Harrison	Patterson	Stephens
Bratton	Hastings	Phipps	Swanson
Brock	Hatfield	Pine	Tydings
Connally	Hawes	Reed	Walsh, Mass.
Copeland	Hebert	Robinson, Ark.	Waterman
Dale	Kean	Robinson, Ind.	Williamson
Deneen	Keyes	Schall	
Fletcher	McMaster	Shipstead	

The PRESIDENT pro tempore. The Senate advises and consents to the nomination, and the President will be notified.

NOMINATION OF MARCEL GARSAUD, OF LOUISIANA

The legislative clerk read the nomination of Marcel Garsaud, of Louisiana, to be a member of the Federal Power Commission for the term expiring June 22, 1932.

Mr. COUZENS. Mr. President, I desire merely to make a very short statement concerning this nominee. I should hesitate to take the time of the Senate at all except for the few remarks made by the junior Senator from Montana [Mr. WHEELER] in discussing the previous nominee. Mr. Garsaud, in my judgment, is probably the ablest technician who has been appointed to the Power Commission. The only office he has held is a municipal one in New Orleans, and, of course, he has his profession of engineering. His employments have been outside of any power-company connection. When the so-called dock board of New Orleans desired to obtain the services of an engineer, after studying the available men for the position of superintendent of docks at New Orleans, they selected Mr. Garsaud. It is true that the dock board in many cities is made up of prominent officials; and among those prominent officials in New Orleans was Mr. Hecht, who was also the head of the so-called utilities company there. However, when he was acting as a member of the dock board he was acting in the capacity of a public citizen, his company not having any connection with the dock board except it sold them light and power, as any other private utility company would sell to a municipality light and power. After Governor Long was elected, he removed Mr. Garsaud from the dock commission, because he desired, as many new governors do, to control all the patronage in the State. There was no charges ever made against Mr. Garsaud that he had ever had any connection whatsoever with any power corporation. He had performed his duties in an efficient and competent manner. Nobody found any fault with that.

Then, after he was removed from the position of superintendent of the dock board, he was employed by Tulane University to do some special work in the way of investigating certain power and engineering problems. It happened that Mr. Hecht is also a trustee of Tulane University. I submit, however, that there are many of us in the Senate who have had men indorse us whom we perhaps are not particularly glad to have as indorsers. It does not mean because one man indorses another that the latter ordinarily agrees with the views of the particular indorser.

I make these few remarks because, as I have said, from my observation and from listening to the testimony of all the nominees, I reached the conclusion that Garsaud, from an engineering standpoint, was, perhaps, the best fitted technician who could possibly be appointed on the Power Commission.

I do not desire to take up any more time of the Senate for I know my good friend the Senator from Montana [Mr. WHEELER] is going to tell us all about Mr. Garsaud's power connections, which I am quite sure do not exist.

Mr. WHEELER. Mr. President, I am not going to take very much time of the Senate; I know it is getting very late, but I am going to try to read from a statement that was made before the commission by a prominent lawyer from New Orleans, Mr. A. D. Danziger. He said:

Mr. DANZIGER. My name is A. D. Danziger. I am a practicing attorney in New Orleans, and I am here for two purposes. One is because this matter is a matter of great public interest, and is attracting a great deal of attention in our section of the country, as well as in other sections, as I am informed; and the second reason is that I was requested by Governor Long, Senator elect, to present my views to this committee.

Senator KEAN. Did Governor Long appoint you to your present job?

Mr. DANZIGER. I have not stated, Senator, that I have any present job. I have, as a matter of fact, no office of profit under the State. I have never been an officeholder, and am not now.

Senator WHEELER. Are you connected with any civic organizations down there?

Mr. DANZIGER. I was president last year of our chamber of commerce in New Orleans, and I have been president of several of the other civic organizations. I said I had never occupied any position where a salary was involved. That is correct. I am an appointee of the governor as chairman of the executive committee of the State flood control commission, and I have one or two other appointments, such as a member of the highway advisory board, but none carrying any salary.

The CHAIRMAN. Proceed.

Senator BARKLEY. Are there many people in Louisiana who work that way?

Mr. DANZIGER. We have a few. * * * At any rate, this question has attracted a great deal of attention. I suppose the gentlemen of the committee know that there is a referendum of the Chamber of Commerce of the United States, referendum No. 57, with reference to the national water-power policies. That referendum contains some reference to the United States Supreme Court's decisions on the legal principles involved that, I believe, hit some of the points that were brought up in the committee yesterday.

The primary reason why I am here, gentlemen, is this: I have read the water power act of 1920 and the amendment of 1930. I have a copy of it before me. The question as to who would administer the water power of the country in the interest of the public, it seemed to me, was a question of grave importance. Weighing the importance of that, just as we lawyers would weigh the naming of men on a jury to try the case as between the people of the country and the water-power interests, I looked rather closely into the qualifications of Mr. Garsaud, who is from New Orleans also, and I reached the conclusion that he was not the correct timber for a position of that kind, and I thought I should come up here and state to the committee why I was of that opinion.

Senator KEAN. Governor Long asked you to come up here, didn't he?

Mr. DANZIGER. I gave one of the reasons, Senator, that he had asked me, and I also gave as a reason the great interest that this subject is exciting in my part of the country.

Weighing those qualifications, in the first place, I did not know of any background of experience that Mr. Garsaud had that would qualify him on a question of as great importance, or with as many ramifications as the question of administering the water powers of the country in the interests of the public.

Mr. Garsaud came into the public notice down there in New Orleans principally at the time that he became engineer of the Orleans Levee Board. The information that reached us in making this little inquiry as to the background of Mr. Garsaud was that he had been named to that position at the request of one of the former mayors of our city

He occupied that position from 1924 to 1926, and on the next day after he left the levee board he was named as general manager of the dock board, correctly named the Board of Port Commissioners of the Port of New Orleans. We call it the dock board for short.

At that time the president of the dock board was Mr. Hecht. When Mr. Garsaud was asked yesterday what position that gentleman occupied, he said first that he was president of the dock board, and president of the Hibernia Bank. He was also at that time either president or chairman of the board of the New Orleans Public Service, which is a subsidiary of the Electric Bond & Share Co.

One of the Senators asked Mr. Garsaud whether he did not know that this gentleman was active in the New Orleans Public Service, and Mr. Garsaud's answer was that he believed he was

a member of the board. The gentleman who was president of the dock board is a very prominent member of the board. As I say, he had the office either as president or chairman of the board.

Senator WHEELER. You mean Mr. Hecht?

Mr. DANZIGER. Yes.

Senator WHEELER. He was very prominent and active in the affairs of the Public Service Corporation, which is a subsidiary of the Electric Bond & Share Co.?

Mr. DANZIGER. Yes, sir.

Senator WHEELER. Let me ask you this: Is it a fact that Mr. Garsaud has been generally recognized as being lined up absolutely with Mr. Hecht in the Public Service Corporation of New Orleans, or Louisiana, whichever it is?

Mr. DANZIGER. Senator, it is a fact that he has been aligned with Mr. Hecht. Whether he had any direct connection with the New Orleans Public Service is something that I do not know about. I do not think he did.

Senator WHEELER. I said with Mr. Hecht.

Mr. DANZIGER. But Mr. Hecht has a very active and prominent part in the New Orleans Public Service.

Senator WHEELER. And the New Orleans Public Service and Mr. Hecht are very active in politics in New Orleans, are they not?

Mr. DANZIGER. Let me separate that question, if you will, Senator? I would say that the New Orleans Public Service is the largest corporation in our city, and one of the largest in the South. While they do not openly take any active part in politics, we frequently find that there is some part being taken, and as far as Mr. Hecht is concerned, he has never held any public office with compensation, but he takes a very active interest in public affairs.

There was a good deal of testimony in the record, Mr. President, by a number of other witnesses who came here from New Orleans at their own expense, and who testified that in their opinion Mr. Garsaud should not be appointed to this position because of the fact that he was so closely identified with Mr. Hecht, the president of the Public Service Corporation of New Orleans, which in turn is owned or controlled by the Electric Bond & Share Co. After he left—after Governor Long fired him, as he said, from the dock board, as it is commonly called—he immediately went to work for Tulane University, and on Tulane University are three members of the Power Trust; and Mr. Hecht, as I recall, is one of the members of the board of trustees of Tulane University. If I am wrong about that, I hope the Senator will correct me.

Mr. BROUSSARD. Mr. President, the Senator is wrong. Mr. Hecht is not on the board of Tulane, nor is he the president of the Public Utilities.

Mr. WHEELER. Well, he is on the board of directors of the Public Service Corporation of New Orleans, which in turn is controlled by the Electric Bond & Share Co.; and Mr. Hecht, as president of that board, selected Mr. Garsaud as the head of the dock board, or as the engineer for the dock board; at least, that is the testimony that was before the committee.

Mr. BROUSSARD. Will the Senator permit me to interrupt him?

Mr. WHEELER. Yes.

Mr. BROUSSARD. The testimony is that the five members of the dock board, which is a State institution, unanimously agreed on Mr. Garsaud.

Mr. WHEELER. I shall have to correct the Senator, because of the fact that the testimony also was that Mr. Hecht was the man who selected him; and then he was confirmed, as I recall, and approved by all of the members of the dock board.

When I called attention to the fact that Mr. Garsaud had gone to work for Tulane University, somebody resented the idea or the statement or the indication that Tulane University was in any wise connected with the Public Service Corporation. The fact of the matter is, however, that for a long time one of the professors who was acting with Tulane University as publicity man was also acting as the publicity man for the power interests throughout the South; and, as the hearings of the Federal Trade Commission here in Washington will disclose, there is a long record before the Federal Trade Commission showing how the power interests of the South work, and how, as a matter of fact, one of the professors or one of the persons who was working for Tulane University was at the same time receiving a salary from the power interests for the purpose of circularizing and getting up propaganda in favor of the power interests.

Personally, I never saw Mr. Garsaud in my life until he appeared before the committee. I listened to these four or five gentlemen who appeared before them, including this lawyer who was formerly president of the chamber of commerce, who came here and protested because of the fact that, he said, "If I were selecting a jury to try a case as between the power interests on the one side and the people on the other, I could not conscientiously"—this is in substance what he said—"select Mr. Garsaud to sit upon that jury and weigh the evidence as between the two, because of his affiliations with Mr. Hecht and the power interests."

I merely submit that statement to the Members of the Senate, so that in voting for Mr. Garsaud they will know who they are voting for; and because of the record that was made there I propose, for my part, to vote against him. I want to say also that the RECORD shows that Mr. Hecht and several other members—I may be mistaken about it, but I think others connected with the power interests—wrote letters commending Mr. Garsaud, and recommending that he be confirmed by the Senate.

Mr. RANSDELL. Mr. President, I shall detain the Senate but a very few moments.

Mr. President and Senators, there is not one scintilla of proof or evidence of any kind connecting Mr. Garsaud with the power interests. The Senator from Montana has told you about the evidence given by a New Orleans lawyer to the effect that Mr. Hecht, who is the head of one of the largest banks in New Orleans, and who at one time was president of the New Orleans Dock Board, and whose bank was supposed to have some interests with the power companies, had, in his capacity as president of the dock board, employed Mr. Garsaud.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. RANSDELL. Let me make my statement, and then I will yield. Therefore, Mr. Garsaud having been employed by Mr. Hecht, and Mr. Hecht having some interest in the power company, Mr. Garsaud must be a power man. That is the whole story; and instead of there being four or five people here to testify, there was this one lawyer, Mr. Danziger, and a Mr. Shushan, who is the president of the levee board in New Orleans and the man who succeeded Mr. Garsaud on the dock board.

I now yield to the Senator.

Mr. WHEELER. Let me say this to the Senator: I think he is hardly fair. Probably only two men testified. There were at least four men who came into my office. Two of them testified, and the others said that their testimony was the same as that of those who testified.

Mr. RANSDELL. Of course, I do not know what people may have told the Senator in the privacy of his office. I know the three men who testified before the committee, and that is all I know.

Senators, this man is one of the highest-grade men in the South, one of the ablest men in the South. He is a young man who, when the war broke out, volunteered, and rose to the rank of lieutenant colonel of engineers. He has gone up steadily. He started as a poor boy, raising himself by his own merit and splendid character to a high position, the highest position in the engineering world in New Orleans. He was cordially indorsed by my colleague and myself because we believed him to be eminently qualified, eminently fair-minded, eminently able, and a man of the most independent character.

I could read you here, but I will not take the time, testimony in the record from four of the biggest lawyers in my State testifying to Mr. Garsaud's splendid character and his independence. One of them, Mr. George Terriberry, said he never had the slightest connection with the power interests. One of them is Chief Justice O'Neil, of the supreme court, testifying as to the high character of this man. I have here the testimony of four of the ablest engineers in the South. One of them is Frank Coleman, president of the American Society of Civil Engineers, who says Mr. Garsaud has never had any connection with the power interests, and no man stands higher in the South or in the Nation in engineering matters than Frank Coleman.

Here is the testimony of three bankers, heads of great banks there, Mr. O'Keefe of the Whitney, Mr. Hecht of the Hibernia, and Mr. Butler of the Canal. They all testify to the high character and independence of the nominee.

I have the testimony of four of the leading business men of the city, two of the biggest real-estate men, and a splendid letter from ex-Gov. John M. Parker, of whom all of you have heard and whom many of you know personally.

Senators, there is nothing in the world against this man but innuendo, not a scintilla of proof, and I say now as one of your colleagues who has been with you for 18 years, as one who has known this nominee, that I honor him, and if there is an abler man among the five nominees, I do not know of him.

I have known this man well, and I know that he will make a splendid member of this commission. He will do justice. If he has ever had the slightest connection of any kind or sort with the power interests, I have not been able to find any evidence to that effect, and I have tried to find it, because having recommended him on my personal knowledge of him, and on what was told me by others, if I had made a mistake, I was determined to find it out and acknowledge it like a man. But I have made no mistake. This nominee is a splendid man, and Senators will make no mistake in confirming him.

Mr. BROUSSARD. Mr. President, I would like, if I can, to correct certain statements made by the Senator from Montana. One witness who testified against the confirmation of Mr. Garsaud was Mr. Danziger, and the other Mr. McKay, and the latter did not go into anything at all with reference to power.

One of the editorials read by Mr. Danziger was from the New Orleans Item, which is edited by Mr. James Thomson, and from that editorial I read two lines:

> The governor intimates a connection between Colonel Garsaud and power interests. So far as we recall Colonel Garsaud's relations with power interests, if any, are not a matter of public record.

Mr. Garsaud has testified that the only time he was employed at all where power was involved or in controversy was when he appeared as a witness against the power company.

Mr. Hecht, often referred to as being the man who selected him, was president of the State Port Commission in Louisiana, which owns all of the water front and the docks in the city of New Orleans. There were five members of that commission at the time—Mr. Hecht, Mr. E. S. Butler, Mr. E. Carrere, Mr. Theo. Grunewald, and Mr. Neal Leach. After Commander Walsh accepted a position on the Shipping Board and resigned as general manager of the dock board in New Orleans, a position which pays $15,000 a year, these five gentlemen took six months to survey the whole field in order to find the most efficient man to replace Commander Walsh, and selected Mr. Garsaud.

We vouch for him, and I know he will make a good member of this commission.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is, Shall the Senate advise and consent to the nomination?

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this vote I have a general pair with the senior Senator from Colorado [Mr. PHIPPS]. I understand that if present he would vote as I expect to vote on this nomination, and I therefore vote. I vote "yea."

Mr. HASTINGS (when his name was called). I have a pair with the junior Senator from Texas [Mr. CONNALLY]. I transfer that pair to the junior Senator from Rhode Island [Mr. HEBERT] and vote "yea."

Mr. HAWES (when his name was called). I have a pair with the senior Senator from New Jersey [Mr. KEAN]. I have been informed that if he were present he would vote "yea." I vote "yea."

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I transfer that pair to the junior Senator from Missouri [Mr. PATTERSON] and vote "yea."

Mr. TYDINGS (when his name was called). On this vote I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I am informed that if he were present he would vote as I shall vote, and I therefore am at liberty to vote. I vote "yea."

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Missouri [Mr. PATTERSON]. I am informed that if he were present he would vote as I intend to vote, and I therefore vote. I vote "yea."

Mr. WALCOTT (when his name was called). I have a pair with the junior Senator from Tennessee [Mr. BROCK]. Not knowing how he would vote, I transfer that pair to the junior Senator from West Virginia [Mr. HATFIELD] and vote. I vote "yea."

Mr. WATSON (when his name was called). I have a pair with the senior Senator from South Carolina [Mr. SMITH]. I transfer that pair to the senior Senator from Colorado [Mr. PHIPPS] and vote. I vote "yea."

The roll call was concluded.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent. If present, he would vote "yea."

Mr. KING. I have a pair with the junior Senator from Minnesota [Mr. SCHALL].

Mr. BARKLEY. My colleague the junior Senator from Kentucky [Mr. WILLIAMSON] is unavoidably detained. I do not known how he would vote on this nomination.

Mr. GLASS. I have a general pair with the senior Senator from Connecticut [Mr. BINGHAM]. Not knowing how he would vote, I withhold my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from New Jersey [Mr. MORROW] with the Senator from New Mexico [Mr. BRATTON];

The Senator from Illinois [Mr. DENEEN] with the Senator from Iowa [Mr. STECK];

The Senator from Vermont [Mr. DALE] with the Senator from Massachusetts [Mr. WALSH];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from New Hampshire [Mr. KEYES] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Oklahoma [Mr. PINE] with the Senator from Florida [Mr. FLETCHER].

Mr. CARAWAY. My colleague the senior Senator from Arkansas [Mr. ROBINSON] is absent. He has a pair with the senior Senator from Pennsylvania [Mr. REED]. If present, he would vote "yea."

The result was announced—yeas 42, nays 14, as follows:

YEAS—42

Barkley	Glenn	McNary	Thomas, Idaho
Broussard	Goff	Moses	Thomas, Okla.
Bulkley	Goldsborough	Oddie	Townsend
Capper	Hale	Pittman	Tydings
Caraway	Harris	Ransdell	Vandenberg
Carey	Hastings	Robinson, Ind.	Wagner
Couzens	Hawes	Sheppard	Walcott
Davis	Hayden	Shortridge	Walsh, Mont.
Fess	Johnson	Simmons	Watson
George	Jones	Smoot	
Gillett	Kendrick	Steiwer	

NAYS—14

Blaine	Dill	La Follette	Nye
Borah	Frazier	McGill	Wheeler
Brookhart	Heflin	McKellar	
Cutting	Howell	Norris	

NOT VOTING—39

Ashurst	Fletcher	Metcalf	Shipstead
Bingham	Glass	Morrison	Smith
Black	Gould	Morrow	Steck
Blease	Harrison	Norbeck	Stephens
Bratton	Hatfield	Patterson	Swanson
Brock	Hebert	Phipps	Trammell
Connally	Kean	Pine	Walsh, Mass.
Copeland	Keyes	Reed	Waterman
Dale	King	Robinson, Ark.	Williamson
Deneen	McMaster	Schall	

So the Senate advised and consented to the nomination of Marcel Garsaud to be a member of the Federal Power Commission.

FEDERAL FARM LOAN BOARD

The PRESIDENT pro tempore. In connection with the calendar in executive session the nomination of Floyd R. Harrison, of the District of Columbia, to be a member of the Federal Farm Loan Board has not been submitted to the Senate, nor has any action been taken upon it.

Mr. GLASS. I move that the nomination be confirmed.

Mr. HEFLIN. I understood the Chair to say that no action had been taken upon it. By whom was it reported?

The PRESIDENT pro tempore. It was a reappointment, and it has been on the calendar for some days.

Mr. GLASS. It was reported by me.

The PRESIDENT pro tempore. It was passed over from day to day. Without objection, the nomination is confirmed, and the President will be notified.

This completes the Executive Calendar.

LEGISLATIVE SESSION

Mr. JONES. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

AGRICULTURAL MARKETING

Mr. JONES. Mr. President, I ask that the Senate proceed to the consideration of the bill (H. R. 15359) making an additional appropriation to carry out the provisions of the agricultural marketing act, approved June 15, 1929.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That to provide an additional amount for carrying into effect the provisions of the agricultural marketing act, approved June 15, 1929 (46 Stat. 11–19), including all necessary expenditures authorized therein, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $150,000,000, which amount shall become a part of the revolving fund to be administered by the Federal Farm Board as provided in such act.

Mr. McKELLAR. Mr. President, will the Senator from Washington yield to me to make a request for unanimous consent?

Mr. JONES. I yield.

PARCEL-POST RATES

Mr. McKELLAR. Under the present law the Postmaster General, with the approval of the Interstate Commerce Commission, has the right to change rates for parcel post. He has recently signified his intention to do so. There is a bill before the Committee on Post Offices and Post Roads to repeal that provision of the law, and I have a resolution here, indorsed by a large majority of the members of the Committee on Post Offices and Post Roads, asking the Postmaster General and the Interstate Commerce Commission to postpone action on that matter until it is passed on by the Committee on Post Offices and Post Roads.

I will say that if these rates are adopted it will virtually do away, in my judgment, with the Parcel Post System. I hope that the resolution may be unanimously agreed to.

The PRESIDENT pro tempore. The Senator from Tennessee asks to submit a report from the Committee on Post Offices and Post Roads upon a poll of the committee. Is there objection?

Mr. SMOOT. That does not mean he is asking for consideration of the resolution now?

Mr. McKELLAR. Oh, yes.

Mr. SMOOT. Then I must object.

Mr. McKELLAR. If objection is made I ask unanimous consent that the proposed resolution, with the names of the members of the Committee on Post Offices and Post Roads attached to it, may be printed in the RECORD.

Mr. SMOOT. I have no objection to that.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the resolution (S. Res. 373) submitted by Mr. McKELLAR on the 16th instant, requesting the Postmaster General to withdraw his request for a change in certain postal rates, reported it without amendment.

The resolution (S. Res. 373) is as follows:

Whereas the postal act approved May 29, 1928, contains the following provision in section 7 thereof:

"The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this section, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classifications, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof."

And

Whereas recently the Postmaster General has called on the Interstate Commerce Commission to raise the rates established in said act under such provisions; and

Whereas it is believed that a raise of the rates submitted by the Postmaster General will greatly injure the parcel-post service and work to the advantage of the express companies: Now, therefore, be it

Resolved, That the Postmaster General be, and he is hereby, requested to withdraw his request for a change in said rates until the Congress shall pass upon the bill repealing the provision under which said rates may be changed by the approval of the Interstate Commerce Commission; and that the Interstate Commerce Commission be, and is hereby, requested to take no further steps in said rate matter until the matter is passed upon by the Congress.

The poll of the Committee on Post Offices and Post Roads is as follows:

THOMAS D. SCHALL, K. McKELLAR, P. H. DALE, L. J. FRAZIER, S. G. BRATTON, J. THOMAS HEFFLIN, PARK TRAMMELL, T. L. ODDIE, CARL HAYDEN, COLE. L. BLEASE, and GEORGE McGILL.

The PRESIDENT pro tempore. The resolution will go to the calendar under the rule.

AGRICULTURAL MARKETING

The Senate resumed the consideration of the bill (H. R. 15359) making an additional appropriation to carry out the provisions of the agricultural marketing act, approved June 15, 1929.

The PRESIDENT pro tempore. The bill is in the Senate and open to amendment.

Mr. McKELLAR. Mr. President, I offer the following amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, after line 11, insert:

To provide for carrying into effect the provisions of the act for the relief of farmers in the drought and storm stricken areas passed by the Congress December 20, 1930, and sent to the President, including the necessary expenditures authorized therein, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $45,000,000, which amount shall be available immediately upon the signing of said relief of farmers act by the President.

The PRESIDENT pro tempore. The bill being before the Senate and open to amendment, the question is upon agreeing to the amendment offered by the Senator from Tennessee. The Senator from Washington [Mr. JONES] is recognized.

Mr. JONES. Mr. President, I made no objection to the Senator having the amendment read, though I did want to make a brief statement about the bill before any amendment might be offered.

As Senators know, we authorized the appropriation of $500,000,000 for the Federal Farm Board to carry out the marketing act. We have appropriated $250,000,000 of that $500,000,000. The House committee in its report sets out very clearly the conditions, and I desire to read just a line or two from that report.

As of December 13, 1930, the board had made commitments against the fund totaling $376,013,974.40, under which moneys had been advanced totaling $338,996,504.71. The balance in the revolving fund as of that date was $39,128,197.67, of which $37,017,465.69 was obligated by commitments approved by the board, and the free balance available for new commitments was only $2,110,731.98.

I invite especial attention to that last statement with reference to the free balance available.

The Appropriations Committee called Chairman Legge before it and he described the situation. Near the close of his testimony, after he had gone into various details with regard to the operations of the board, I asked him this question:

Mr. Legge, is it imperative that you have this $150,000,000 right away?

Mr. LEGGE. Apparently. Now, the opposition, without throwing any bricks at anybody, I will say are carrying on a very exhaustive campaign, Mr. Chairman. Here is a letter of December 15 which came into the office to-day:

"The holder of May wheat futures is confronted with a very big risk, due to the fact that while the stabilization policy may at this time have the assurance of carrying it through, yet there is nothing binding about it, and with Congress in session, and the disposition on the President's part to conserve the Treasury, something might happen by which such a continued stabilizing program might be upset, and if for any reason it were, the effect upon May wheat would be very bad."

Then I asked him this question:

What I had in mind was, do you consider it very important that we have this appropriation before the holiday season is over?

Mr. LEGGE. I think it is. We may be able to carry on, but here is what happens: This week—

I think it was yesterday we had him before the committee—

This week so far we have had a bad time because of the decline in the cotton market and the heavy variations in wheat—$9,000,000 in cold cash. Cotton had to have $6,000,000 and wheat $3,000,000 just within the current week; and, of course, as you can see from our balance sheet, we can not carry on very long if those things are to be repeated, and the only alternative would be to sell out the wheat and cotton, and, of course, that would create chaos in the market if we were forced to do that.

That briefly presents the situation that confronts us.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Ohio?

Mr. JONES. I yield.

Mr. FESS. Has the House acted upon this measure?

Mr. JONES. Oh, yes; it is a House measure.

Mr. FESS. Then any amendment would send it to conference?

Mr. JONES. Oh, yes; any amendment would send it to conference and would delay our adjournment until next week, if we hope to pass the measure before we adjourn.

Mr. CARAWAY. Mr. President, will the Senator yield?

Mr. JONES. Certainly.

Mr. CARAWAY. That is nothing new about this particular bill. The Senator asked that same question before about other measures. It is the universal rule. Everybody knew that, did they not?

Mr. JONES. I think so. I do not think he wanted to convey the idea that this was a new proposition.

Mr. CARAWAY. Oh, yes; I think he did.

Mr. JONES. I think he merely wanted to suggest the idea.

Mr. CARAWAY. I know what he wanted to do, and the Senator from Washington knows, too.

Mr. JONES. Then why did the Senator ask about it?

Mr. CARAWAY. I was afraid the Senator from Washington did not realize it.

Mr. JONES. I may be pretty dull about these matters, but once in a while something trickles through my brain.

Mr. WHEELER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Montana?

Mr. JONES. I yield.

Mr. WHEELER. I think on yesterday or the day before we authorized an appropriation of several million dollars for the purpose of furnishing seed to the farmers, and now we are about to appropriate $150,000,000 to carry out the Farm Board plan. The primary object of their plan is to get the farmer to increase his acreage. On the one hand we are appropriating money to get the farmer to reduce his acreage, and on the other hand appropriating money to get him to increase his acreage.

Mr. JONES. I hardly understand that to be the fact, and I doubt seriously if the Senator does. Everyone knows what the situation is. Everyone knows what is necessary to be done now. If we expect the board to proceed, of course, we must provide the money. If we wanted to suspend its business, of course, we can very quickly bring about that result. We may differ, of course, as to the methods pursued by the board, as to the means it has adopted and followed to carry out the objects and purposes desired. I do not think it is for us to go into detail and tell the board how to carry on its business. We will put ourselves in a very awkward position if we do that. I think we will simply hinder the possible success which we hope may come from the board's activities.

Mr. DILL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to his colleague?

Mr. JONES. I yield.

Mr. DILL. I want to ask the Senator how much money the Farm Board has on hand now?

Mr. JONES. According to the statement I read from the House committee's report, under date of December 13, they had available for cash demands only a little over $2,000,000.

Mr. DILL. How much have they spent altogether?

Mr. JONES. They have obligated or committed, according to the House report, $376,013,000 plus, under which moneys have been advanced totaling $338,996,000 plus. They have obligated, really, more than we have actually appropriated.

Mr. DILL. We appropriated $250,000,000 last summer.

Mr. JONES. We appropriated that much, altogether; first $150,000,000 and then $100,000,000.

Mr. DILL. How much of the $250,000,000, if the Senator knows, has been spent in speculation on the grain exchange and cotton exchange?

Mr. JONES. I do not know how much. I think Mr. Legge in his testimony told us something about it. At least he gave the different amounts at different dates, but I can not tell the Senator exactly the amount. We had the hearings yesterday afternoon.

Mr. DILL. Did the Senator find out how much of this money was being spent for $10,000-a-year men who are handling these funds through the different States?

Mr. JONES. I confess we did not go into that matter.

Mr. DILL. The Senator knows that some of these men are acting as agents for the corporation and at the same time engaging in the buying and selling of wheat for themselves.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. JONES. I yield.

Mr. McKELLAR. I want to say to the junior Senator from Washington [Mr. DILL] that Mr. Legge testified that Mr. Creekmore has a basic salary of $25,000 a year and, as I remember, 4 per cent on certain income or profits, which would make it amount to about $75,000 a year all told.

Mr. JONES. May I read what he said? I think the Senator is about right, but I have it right here.

Mr. McKELLAR. All right; I will be glad if the Senator will do so.

Mr. JONES. Mr. Legge said:

I think he receives a salary of $25,000, or some such figure, and some additional amount based on earnings of the cooperative. I am speaking from memory.

He represents some cooperatives, I think, down South.

Mr. McKELLAR. I think Mr. Legge changed his testimony about that. Here is what he said:

I think he has a salary of $25,000, or some such figure, and, based on the earnings, it may run up to $75,000; that is, based on the earnings of the cooperative. I think that is the maximum.

But Mr. Legge changed his testimony and, in pencil, struck out "based on earnings it may run up to $75,000," and it now appears in the printed hearings as the Senator has just read it:

I think he receives a salary of $25,000, or some such figure, and some additional amount based on earnings of the cooperative.

Mr. JONES. That is the way it is in the hearings as printed.

Mr. McKELLAR. In other words, Mr. Legge answered differently, as he did in another case which I will point out in a moment when the Senator from Washington finishes. He answers differently to the committee from what he finally puts in the printed record of the hearings.

Mr. JONES. And yet the Senator does not think there is any especial difference, does he?

Mr. McKELLAR. Oh, yes; I think that he thought that to show that Mr. Creekmore received a salary of something like $75,000 would not possibly be the best thing to do.

Mr. JONES. That may be.

Briefly, Mr. President, that is the situation: The committee took the attitude that this is work which the Congress has authorized. It is under way. We are not prepared to stop it. The only way to keep it going is to appropriate the money that is necessary. If the matter needs real investigation and the proceedings of the board need thorough investigation, I think that could be done in a separate way and by separate examination.

Mr. BROOKHART. What was the figure actually expended?

Mr. BORAH. It was $276,000,000.

Mr. BROOKHART. Was it $276,000,000 or $376,000,000?

Mr. JONES. As I read the House report, $376,013,974.40 were obligated against the fund, and moneys have been advanced totaling $338,996,508.71.

Mr. BROOKHART. We have only appropriated $250,000,000 up to date.

Mr. JONES. Yes.

Mr. BROOKHART. How did they get the remainder of the $338,000,000?

Mr. JONES. I suppose they considered the $500,000,000 we have authorized, and probably thought that Congress, of course, would appropriate the necessary money to meet the obligations of the board. I so assume.

Mr. BROOKHART. They checked on the Treasury for the additional amount, did they?

Mr. JONES. They have obligated for it, but I do not know that they have drawn any checks on the Treasury as yet. They have, however, advanced three hundred and thirty-odd million dollars.

Mr. BROOKHART. They got that from somebody.

Mr. JONES. I might say, however, that it is a revolving fund, and very likely there was some money in the fund on which the board might draw.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. I yield.

Mr. HOWELL. Does not the fact suggest that certain sums have been borrowed upon the wheat which has been carried and added to the $250,000,000 in order to make the $338,000,000?

Mr. JONES. I do not so understand.

Mr. HOWELL. Where did they get the money over and above $250,000,000?

Mr. JONES. Possibly some of it came out of the revolving fund.

Mr. HOWELL. But the revolving fund is made up of $250,000,000.

Mr. JONES. Yes; that is true, but some of that is returning to the fund. For instance, if it is used and repaid, it goes back into the revolving fund again.

Mr. HOWELL. But there has never been more than $250,000,000 in the revolving fund.

Mr. JONES. That is right.

Mr. HOWELL. And they have expended $338,000,000, which would suggest that they have borrowed on the wheat carried the difference between $250,000,000 and the $338,000,000 and have used that money.

Mr. JONES. I do not suppose that anything of that kind has occurred.

Mr. WALSH of Montana and Mr. McKELLAR addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES. I yield first to the Senator from Montana.

Mr. WALSH of Montana. It suggests to my mind that some of the loans made to cooperatives have been returned.

Mr. HOWELL. But the total loans can not exceed $250,000,000, because that is all that has been appropriated up to the present time.

Mr. SMOOT. Mr. President——

Mr. JONES. I yield to the Senator from Utah.

Mr. SMOOT. The figure represents, in addition to the $250,000,000, the amount of money which has been expended to purchase additional wheat.

Mr. McKELLAR. Then, do I understand that certain sums have been paid in by the cooperatives and that they have been added to the $250,000,000?

Mr. SMOOT. The figures show the total purchases that have been made.

Mr. JONES. The total business of the board.

Mr. McKELLAR. Mr. President, will the Senator from Washington yield?

Mr. JONES. I yield.

Mr. McKELLAR. I call the Senator's attention to the fact that Mr. Legge testified that there is a loss of about seventy-odd million dollars to the Government under present condition. So if we regard that as an obligation, the expenditures have gone a good deal over $250,000,000.

Mr. JONES. Mr. Legge also testified that the loss is an uncertain quantity, depending upon the rise and fall in the price of wheat. I think he estimates that the possible loss on wheat under present conditions, if they had to close up, would probably be only about $30,000,000, but, of course, if the price of wheat should go up, they would get more for it, and the loss would be less, whereas if the price should go down the loss would be greater. As to the general effect of the action of the board, he said he thinks that had been decidedly beneficial. He thinks that the price of wheat would have gone lower had it not been for the action of the board. Of course, that is a matter of opinion.

I wish to say, Mr. President, that Mr. Legge impressed me—it was the first time I ever saw him—as a very conservative man. He made his replies in a very conservative way. He recognizes, I think, the situation, what the board is up against, what may result, and what may not result. He does not make any wild prophecies or prognostications as to what the outcome may be, but he impressed me as a business man who is carrying this work on in the very best way that he possibly can, and seeking to bring out of it the best possible result to the Government and to the people.

Mr. McKELLAR. Mr. President, the Senator from Washington referred to Mr. Legge's testimony, where he said that the loss would be less if the market went up, and that the loss would be greater if it went down. To my mind, that is the vice of the whole proceeding. What the board is doing is gambling in cotton and in wheat on the future market. Of course, if the price goes up the Government wins, and if the price goes down the Government loses. I repeat, that is the vice of this whole situation. I do not believe it is proper to appropriate the people's money to any board to enable it to gamble in wheat or cotton.

Mr. SMOOT. Then, Mr. President, the Senator should not have voted for the original legislation.

Mr. McKELLAR. If the Senator from Washington will pardon me further, Mr. Legge himself stated in answer to a question by me that when the board first started out it bought only the actual product, but it had not been in business long before it found everybody else gambling on the market—that was the substance of what he said, everybody was dealing in the future market—and the board felt that it had to do the same thing. So there is an entirely different program being carried on now from what was anticipated when the bill was passed.

Mr. JONES. Mr. President, I think it will be concluded from the testimony of Mr. Legge that he has tried to handle this activity in a businesslike way, to the best interest of the people of this country. I want to say that, so far as I am concerned, I know nothing about stock futures or stock speculations and all that sort of thing. The Senator from

Tennessee and other Senators may be thoroughly familiar with that system of business, but I confess I know nothing about it. However, I want to read what Mr. Legge said with reference to a suggestion which, as I understand, was embodied in an amendment submitted by and printed at the request of the Senator from Alabama [Mr. BLACK].

Senator MCKELLAR. Do you not think it would benefit the cotton market a great deal more to buy actual cotton and deal with the cotton itself rather than to buy in the future market?

That same question, of course, would apply to wheat. As I understand, that is what is meant by "futures" when they are referred to. Mr. Legge answered that question as follows:

We started our operations wholly on that basis, Senator; but the facts are that this system of trading in the future markets is so thoroughly established that we found it more practicable. We do both.

Of course, if they had not done that and had lost a lot of money, I would expect to hear loud condemnation on this floor because of such action.

We buy actual spot cotton and also futures, whichever is cheapest. To illustrate that in wheat, these wheat futures which we have recently purchased on the stabilization account will result in wheat being delivered to-day at 2½ to 4 cents a bushel less than it cost to buy the wheat and to have carried it in the warehouse until the futures were delivered. The futures were cheaper in that way.

That is the answer of a business man, a man who, I suppose, was thoroughly familiar with the system before he came into the service of the Government and, of course, is familiar with it since he has been in its service. I was impressed by the idea that Chairman Legge was doing the very best he feels can be done, from his business experience and his business knowledge, to work out the situation in the very best possible way for the Government and for the interests that are involved.

Mr. TYDINGS. Mr. President——

Mr. BLAINE. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. To whom does the Senator from Washington yield?

Mr. JONES. I yield to the Senator from Wisconsin, who desires to ask me a question, although I may not be able to answer it.

Mr. BLAINE. I should like to have some information. I want to inquire how much of the $250,000,000 appropriation made by Congress was used for dealing in futures in any commodity?

Mr. JONES. I do not know.

Mr. BLAINE. Does the Senator know how much of that fund was used in marginal transactions?

Mr. JONES. I do not.

Mr. BLAINE. Does not the Senator think, then, that Congress ought to be advised with respect to the administration of the law before it takes another step and grants another appropriation?

Mr. JONES. No; Congress took the vital step when it authorized the appropriation of $500,000,000 and provided for the Federal Farm Board and put it into operation. If we want to go into the details of the operations of the board, and all that sort of thing, I think that should be done independently of making the necessary appropriations to enable the board to carry on. If we do not give the board this money it will stop its operations; but if we give it the money, that will not prevent us in another investigation from going into the details of its operations; and that is the way I myself think it should be carried on.

Mr. BLAINE. If the Senator will yield for just one other question——

Mr. JONES. I yield.

Mr. BLAINE. Has the board engaged in marginal transactions in any commodity?

Mr. JONES. As I said, I know nothing about marginal and future operations, but I gather from what Mr. Legge said they have engaged in futures. I assume that they have used the regular business methods in their work, and possibly they have engaged in marginal transactions; but I do not know.

Mr. SMOOT, Mr. BORAH, Mr. TYDINGS, and Mr. KING addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator yield? The Chair intends to have some kind of order in this colloquy. The Senator from Washington has the floor, and here are four Senators asking him to yield to them. To whom does the Senator yield?

Mr. JONES. I yield to the Senator from Utah [Mr. SMOOT], who is more familiar with matters of this kind than I am, and he will give an answer to the Senator from Wisconsin.

Mr. SMOOT. I want to say to the Senator from Wisconsin that unless the board did deal in futures it would be absolutely impossible to regulate the market even with the amount that they have expended, or to hold the market as high as it has been held. They could not do it in any other way. If they are going to hold the market up now they have got to have more money in order that they may purchase the grain whenever there is a depression in the market, and keep up the price. The Senate ought to have known that, and I think it did know it when it authorized the appropriation.

Mr. BORAH. Mr. President——

Mr. MCKELLAR. Mr. President, will the Senator yield to me to reply?

The PRESIDENT pro tempore. To whom does the Senator from Washington yield?

Mr. JONES. I think I shall yield the floor to the Senator from Idaho.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. The Senator from Idaho has the floor.

Mr. BORAH. Mr. President, we met this morning at 11 o'clock; it is now 9.30 p. m., and the Senator from Washington is proposing, at this late hour, when we are in haste to get away, to appropriate $150,000,000. That would be a scandal in any body except the Senate of the United States.

Mr. JONES. Let me say to the Senator that I have been advised that the House passed this bill in five minutes.

Mr. BORAH. I am not called upon to defend the House.

Mr. JONES. Neither am I, so far as that is concerned.

Mr. BORAH. Mr. President, when, on yesterday, I asked that this bill go over, I was hopeful that we would have some real explanation of what the board proposes to accomplish by the additional expenditure of $150,000,000. They have had appropriated now $250,000,000; if we appropriate the amount now proposed the total will be $400,000,000, and they are asking for another $100,000,000 in the independent offices appropriation bill, which will make a total of $500,000,000. The question is, Where have we arrived?

Last spring they undertook to peg the price of wheat, as the saying is, at $1.10; and after buying some 69,000,000 bushels of wheat they ceased operations along that line. Why they ceased is not explained anywhere, and I do not think it ever will be explained to the public.

Mr. SMOOT. The price went down, Mr. President.

Mr. BORAH. Yes; exactly. When the price immediately began to fall they permitted the operations to go in their natural course, until a short time ago they again undertook to peg the price; and now they say that it is absolutely necessary to have this $150,000,000 in order to hold the price where it is now.

I want to call attention to the price at which they are now pegging wheat for the benefit of the farmer. I read from a telegram to me:

Average price paid to farmers for wheat on prairie during last 10 days, 43 cents per bushel, base No. 1 white bulk; 3 cents more per bushel for sacked wheat; cost of sack to farmer, 11 cents each.

Mr. WATSON. Where?

Mr. BORAH. That is in Lewiston, Idaho.

Nez Perce business men buying warehouse wheat $9 ton for fuel in place of coal $16.50 ton and wood $10 ton. Grain quoted there 38 cents bushel, less dockage and warehouse charges. Relative price per hundred as fuel gives at Nez Perce 82½, wheat 45.

Another telegram from Lewiston says:

Average price of wheat, 40 cents.

Mr. President, it would be interesting to me to know why the board centered upon the effort to stabilize the price of wheat at $1 and $1.10, and immediately ceased operations, and did not undertake again to deal with the matter until wheat had reached a price where it is impossible for the farmer to live under the price. It may mean that they are now holding wheat, as they say, 20 cents above the Liverpool price; but the thing I have been unable to understand is why the same heroic effort was not made to maintain the price of wheat at a time when the price was reasonable, and one under which the farmer could possibly thrive. At the present price obviously the farmer must be destroyed, even if the price is maintained at the present figure. If the Senator from Utah can tell me why it was that they centered upon stabilization last spring, and discontinued it the day after Julius Barnes reached the city of Washington, I should like to know his explanation.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I do.

Mr. SMOOT. I know nothing about Julius Barnes in connection with this matter. I do know that the board undertook to stabilize the price of wheat. They did everything they could with the amount of money that was appropriated. The offer of wheat was such, not only in this country but in every country in which wheat is grown, that the demand could not take it. When the demand was not sufficient to take the amount that was offered on the market the price began to decline.

The board held that price as long as they could possibly hold it. If we had appropriated a billion dollars for this purpose, Mr. President, I doubt very much whether they could have maintained the price at the figure that they undertook to do in the beginning.

Mr. BORAH. Why did they enter upon stabilizing it at that price if it was apparent that they could not do so with a billion dollars?

Mr. SMOOT. I do not know that anybody thought it was apparent at that time; but the offers of wheat now, not only from Russia but from other countries and this country, have developed the fact that there is more wheat than can possibly be consumed; and whenever that condition arises there is some one that wants to sell. There is somebody that forces wheat upon the market; and as they force it on the market, if there is not a purchaser there for it, the price of wheat declines, just the same as the price of every other commodity.

The Farm Board has tried to maintain the price. They have spent the $348,000,000 that they paid out. They have obligated themselves for $376,000,000. They are asking now for $150,000,000 more, so that they can maintain this policy, and keep the price as high as possible.

Mr. BORAH. Does the Senator think that with $150,000,000 they can maintain the price of wheat?

Mr. SMOOT. I do not know. I have my doubts whether they can. They can at least maintain the price a little longer; but it all depends upon what the surplus of wheat in this country and the world may be.

Mr. BORAH. In other words, there is no assurance that we are doing anything except postponing the day of wrath?

Mr. SMOOT. That may be the case, as far as the Government is concerned; but as far as the farmer is concerned, if he is getting a higher price, he gets that benefit. It may be that the Government will lose the money; and I said in the beginning that I thought that would be the result—not the whole of it, perhaps, but a great part of it. I had not any doubt but that that would be the final result.

Mr. BORAH. What is the ultimate benefit to the farmer of pegging wheat at 43 cents a bushel?

Mr. SMOOT. That is not what we are trying to do—peg it at 43 cents a bushel.

Mr. BORAH. I know it is said that they are pegging it at 76 cents; but what it means is 43 cents to the farmer of the entire Northwest, so far as that is concerned.

Mr. SMOOT. That is true.

Mr. BORAH. But at the present price they are buying it for fuel.

Mr. SMOOT. I am perfectly aware of that. I am not saying that the price will be higher, and I can not say that they are going to make it any higher on account of the world price for wheat; and they are selling it upon the market. I said on the floor of the Senate—the Senator from Iowa [Mr. BROOKHART] will remember it very well—that I thought $500,000,000 would enable the board, or any organization that the Government might undertake, if it were a private organization, to regulate at least the price of wheat; but the product was more than we anticipated. The yield has been greater than was ever thought possible; and of course they have not been able to maintain the price that they thought they would maintain in the beginning.

Mr. THOMAS of Idaho. Mr. President——

The PRESIDENT pro tempore. The senior Senator from Idaho has the floor; to whom does he yield?

Mr. BORAH. I yield to my colleague.

Mr. THOMAS of Idaho. I merely want to call the attention of the Senator from Utah to the fact that they have not used the entire $500,000,000 for wheat. They have used only a little over $100,000,000 in the stabilization-of-wheat program.

Mr. BORAH. Yes; in the stabilization of wheat alone.

Mr. SMOOT. Where does the Senator say the other $276,000,000 has gone?

Mr. THOMAS of Idaho. That has been used in other products.

Mr. SMOOT. Cotton, of course, has used up the great amount.

Mr. THOMAS of Idaho. The catalogue shows a great number of different products on which they have advanced money; but wheat has taken a little over a hundred million dollars.

Mr. SMOOT. They are asking now for $150,000,000 more.

Mr. THOMAS of Idaho. But that is for everything—not for wheat alone.

Mr. SMOOT. Oh, certainly; but wheat and cotton are the items that amount to most.

Mr. BORAH. Mr. President, I want to read a few lines from Mr. Legge's testimony, to see how assuring it is. The chairman says:

> We ought to have some information so we can answer those questions.
>
> Mr. LEGGE. As to what the final outcome will be we do not know. You can not say until the final close of your operations what your gains or losses may be. That is particularly true of grain. The grain market to-day is fully 20 cents above the world parity, or what wheat would bring if it were exported. At the close of the market on Saturday, Liverpool wheat was 69⅜, while the Chicago market was 70⅛, and the transportation cost is 15½ cents. It may be that in the end the taxpayer will lose. As I say, we do not know what the outcome will be. In the meantime we are consuming 17,000,000 bushels per week.
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> * * * * * * *
>
> The CHAIRMAN. Of course, that is dependent on world conditions, on transportation conditions, and other things. This thing is supposed to be built up on the theory that we will not sustain any considerable losses in its operation. Can you look into the future somewhat and tell us what the probability is with reference to these loans?
>
> Mr. LEGGE. It will be just anybody's guess.

Again the chairman says:

> I take it that the great inexorable law of supply and demand controls the price, and that the low price of wheat is largely due to the fact that there is more wheat in existence than there is a demand for.
>
> Mr. LEGGE. Yes, sir; absolutely. From the export standpoint, I do not see any hope for the American wheat producer in competition with the peon labor of Argentina and the practically serf labor of Russia, with their lower standards of living.
>
> The CHAIRMAN. If we have lost hope for it, what is the remedy?
>
> Mr. LEGGE. The remedy, so far as the wheat grower of America is concerned, except in instances where he can profitably use it for feeding livestock, is to reduce the production to the domestic consumption basis.

Mr. President, the sum total of the wisdom derived from this experience is that the American farmer must save himself by producing less wheat. If Mr. Legge were called upon to-night to tell the American farmer to what extent he should reduce his acreage, it would be impossible for Mr.

Legge to advise him to what extent he should go; yet the only information derived from this experience for the benefit of the wheat grower of the United States is the general statement that he must reduce his acreage. If that is all that is to come from this, we can certainly get that kind of advice cheaper than $500,000,000.

Again Mr. Legge was asked:

Mr. BYRNS. How much wheat does the Grain Stabilization Corporation have on hand?

Mr. LEGGE. It has 64,000,000 or 65,000,000 bushels of actual cash wheat in elevators and storage, and probably 60,000,000 bushels under futures contracts.

Mr. BYRNS. Has the board come to any conclusion as to what it proposes to do with that wheat?

Mr. LEGGE. A portion of that wheat is going to be required in the domestic trade before the new crop comes in but not all of it.

In other words, Mr. Legge and his compatriots are buying and piling up wheat in the sight of all the world, where all the world knows that the wheat is there, and it is bound to have its depressing effect upon the market when the new wheat does come in. So you are traveling constantly in a vicious circle. They are not proposing any way to work off this wheat, to get rid of it, but there it is piled up, as much of a depressing factor on the market as anything that can possibly be done in order to depress the market.

Mr. WATSON. Mr. President, may I ask the Senator a question?

Mr. BORAH. I yield.

Mr. WATSON. Does the Senator believe that the fact that the Farm Board has purchased and taken out of the market 116,000,000 bushels of wheat has affected the price to the American farmer?

Mr. BORAH. Possibly it has, but when they began operations wheat was a dollar a bushel, and now it is down to 43 cents, so it has not been of very great benefit.

Mr. SMOOT. Just one moment. The Senator must take into consideration the world price of wheat. The world price of wheat has fallen just as much as the price has fallen in the United States, and a little more.

Mr. BORAH. That is true; but what I am trying to get from this situation is what is going to be the ultimate result if they can not control the situation any better than they have controlled it?

Mr. SMOOT. That is one of the great questions to solve.

Mr. BORAH. I do not think it is a great question to solve. I think they have solved it. Mr. Legge says they can do nothing; that there is no hope except to reduce the acreage.

Mr. SMOOT. I rather think that is correct. It will be exactly the same as with wool. We produce more wool now than we can possibly use, and therefore wool is almost as cheap now as it ever was in the history of the United States. Why? Because the demand for wool is not sufficient to consume the amount of wool that is produced in the world.

Mr. BORAH. Mr. President, I do not desire to-night to argue that question, but I take no stock in this question of overproduction. I noticed last summer that an economic conference in Europe estimated that there were 500,000,000 bushels of wheat surplus in the world, and at the same time and in the same report, although they did not seem to recognize that it had any connection with it at all, they said there were 900,000,000 people who were hungry for bread.

Mr. SMOOT. Of course, the question of overproduction depends upon the demand. What the demand may be, what sales are possible, is the basis on which we have to figure whether there will be overproduction or underproduction.

Mr. BORAH. In other words, there is an underconsumption.

Mr. SMOOT. That states it in one way, that is true. But the world demand for wheat is what counts and what figures in the price of the wheat. We produce more wheat in this country than we can possibly consume, and therefore the price of the wheat in this country is based largely upon the overproduction, and what wheat will bring in the world market.

Mr. BORAH. The Senator is a farmer, Mr. President, and he has been in association with the Farm Board. Could the Senator give any estimate as to how much wheat the farmers should sow next year?

Mr. SMOOT. I do not know how it would be distributed.

Mr. BORAH. Does the Senator know how much they should sow?

Mr. SMOOT. I doubt very much whether it could be estimated. Every farmer is a law unto himself, necessarily so, and rightly so, and if he wants to plant wheat, there is no power on earth to prevent him from doing it.

Mr. BORAH. Let us suppose that the farmers should obey orders, and that they would sow just the amount of wheat Mr. Legge and the Senator from Utah should tell them to sow. How many acres, as compared with the acres of this year, would the Senator tell them to sow?

Mr. SMOOT. If it were possible to do so, I would say to plant the amount of wheat that would be consumed in the United States, and if that were done, of course, then we would get the advantage of the duty on wheat.

Mr. BORAH. That illustrates what I had in mind. Mr. Legge and these gentlemen are telling the farmers to sow less wheat, to have less acreage, and yet if it was to save their lives, they could not give the farmer an intelligent rule of conduct in regard to that.

Mr. SMOOT. They do know what the production was this year, and they do know what the consumption was.

Mr. BORAH. But they do not know how many chinch bugs will come along, or what drought there may be, or what Divine Providence will have to say before it is reaped.

Mr. SMOOT. That is true; nobody can say that, and it has to be an estimate.

Mr. BORAH. Of course it has to be an estimate, and if Mr. Legge were sowing the United States himself, he would not know what acreage to put in in order to feed the people of the United States next year. Yet he is going about over the country telling the farmer that his only salvation is to produce less wheat.

Mr. SMOOT. Mr. Legge does know this, and everybody else knows it, that there has been more wheat produced in the last few years than could be consumed, and that is the trouble with the situation to-day. I think Mr. Legge would say that, and that in order that there should be a smaller production, there has to be less acreage, taking for granted that the average of the two or three years past would be the average for the coming year, and in that case, if it were an average, they could say how many acres should be employed in the production of something else.

Mr. WATSON. Mr. President, I started to ask the Senator from Idaho a question or two. One was this, whether or not in his opinion the fact that 116,000,000 bushels had been taken off the market had had any appreciable effect on the price, and he said he thought it had.

Mr. BORAH. I said possibly it had.

Mr. WATSON. Wheat in Chicago is worth 20 cents plus more than in Liverpool. Has the fact that they have taken 116,000,000 bushels off the market had anything to do with that?

Mr. BORAH. Possibly it has; but the day of reckoning has to come.

Mr. WATSON. Wait a moment.

Mr. BORAH. The wheat is off the market; it is piled up in the granary. The purchasing world knows it is there, and ultimately the farmer will have to pay the bill.

Mr. WATSON. Let me ask the Senator this further question: We have 116,000,000 bushels in storage?

Mr. BORAH. Yes.

Mr. WATSON. If that were suddenly thrust into the market it would crush the price tremendously, would it not?

Mr. BORAH. I suppose it would. I am thinking of that day.

Mr. WATSON. What does the Senator propose to do with this 116,000,000 bushels? I agree with him that it is a menace. It is a menace in this respect, to my mind, that it had driven the speculator entirely out of the market. There is no speculator any more, and it is a fact that in the past the speculator has had very much to do with fixing the price. He will not speculate now; first, because wheat

here is worth 20 cents plus more than in Liverpool, the world's market; and, secondly, because if he did speculate as against the future and the price began to go up, he would always be afraid they would throw in this 116,000,000 bushels which they have and destroy him and crush the market down to a very low level. Under those conditions, what does the Senator say the board is to do with the 116,000,000 bushels?

Mr. BORAH. I do not know what the board is to do with it.

Mr. WATSON. Neither do I. I wanted the Senator's view about it.

Mr. BORAH. But what I would like to know is, what is going ultimately to happen by this continual appropriation of $150,000,000, if they are going to continue to buy wheat and tie it up where it will continue to depress the price of the farmer. It is now down to 48 or 50 cents, and not a western farmer can survive under that price.

Mr. WATSON. I agree. Suppose, however, having embarked upon this policy, they could go on and take great quantities off the market. That would raise the price, would it not?

Mr. BORAH. It would temporarily.

Mr. WATSON. And would involve hundreds of millions of dollars and store away hundreds of millions of bushels of wheat, probably. Then the Senator's answer would come. But my understanding of the whole situation is this, that through the stabilization corporation they were to attempt to stabilize the price of wheat by taking wheat off the market by actual purchase in the market with money from the Treasury, and, secondly, through the cooperative, by an intensive organization, they were to attempt to curtail production in the United States.

Of course, I can understand, as the Senator says, that it is exceedingly difficult to curtail production, because if the farmer sows 40 acres in wheat this fall he does not know how much he is going to reap next June and July, whether it will be 40 bushels to the acre or 5 bushels; but if every farmer could be induced to sow 10 per cent less than he sowed last year, they might in some way or other arrive at a curtailment of the production in that way, although that would be very uncertain, I know.

I want to ask this, and then I will sit down: What does the Senator propose shall be done to raise the price of wheat?

Mr. BORAH. I proposed last year the debenture, and the Senator voted against it.

Mr. WATSON. I proposed the equalization fee, and the Senator from Idaho voted against that.

Mr. BORAH. I did not intend that the farmer should pay for his protection when the American manufacturer was getting his for nothing.

Mr. WATSON. But the farmer was entirely willing to pay for it.

Mr. BORAH. No; he was not.

Mr. WATSON. If he could get, say 40 cents a bushel, and it would cost him but 9 or 10 cents to get it, he certainly would be willing to pay the price.

Mr. BORAH. That was the dream which was painted for the farmer. There was no assurance that it would come true, and I was opposed to putting the farmer upon an inequality with the manufacturer, and compelling the farmer to pay for his protection, while giving the manufacturer his free.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BORAH. In just a moment. I have read Mr. Legge's report, and I have read his testimony before the two committees. One can come to but one conclusion in regard to Mr. Legge's testimony, and that is that the day of disaster is simply being postponed. He gives no way of escape from the fact that we have this wheat on our hands, that we can not get rid of it, that it is there depressing the market, and ultimately the farmer will have to take care of it in a depressed price. That is the situation we are facing after these nine months of working of this board.

Mr. SMOOT. Unless he decreases his production.

Mr. BORAH. He has no means of decreasing his production. He does not know how much to decrease it. Mr. Legge does not give him any rule of conduct or any guide by which to be governed. There is nothing that seems to me so absolutely absurd as to go out and tell the farmers that they must reduce their acreage, when there is no power on earth which can assure them that they will get half the crop which is sowed.

Mr. McKELLAR. Mr. President, will the Senator yield to me now?

Mr. BORAH. I yield.

Mr. McKELLAR. In substantiation of what the Senator has just said, and to show how wrong Mr. Legge and my distinguished friend the Senator from Indiana [Mr. WATSON] and my distinguished friend the Senator from Utah [Mr. SMOOT] are in this matter of reduction of acreage, in 1914 or 1915, as I recall it, the years are immaterial, we planted 45,000,000 acres of cotton, and our crop was something like 16,000,000 bales. The next year we planted 48,000,000 acres of cotton and got only 14,000,000 bales. In other words, we produced 2,000,000 bales less on 48,000,000 acres than we produced on 45,000,000.

It depends on Divine Providence. It depends on the seasons as to what crops are going to be produced. Talk about reduction of acreage! In my judgment it is wholly without any merit whatsoever. The relation between acreage and production of cotton is in no real sense fixed.

Mr. WATSON. Mr. President, may I interrupt the Senator once more?

Mr. BORAH. I yield.

Mr. WATSON. Suppose we do not appropriate this $150,000,000 to carry out the authorization we made a year ago when we appropriated $500,000,000, and the operations of this board shall cease now because of lack of funds. Then where are we?

Mr. BORAH. I think we are where we will be in six months from now. It is postponing the day of judgment, that is all. If the Senator will tell me how we are going to get out ultimately from this situation by appropriating the $150,000,000, I will feel a great deal better; but there is no avenue of escape. Mr. Legge does not offer us any. He gives us no assurance. He takes to shelter the minute the question is asked, and says, "That is any man's guess." We are taking the $150,000,000 and appropriating it, knowing it is only a temporary relief we are getting at most, and the temporary relief is a very poor relief when under that relief every wheat farm in the Northwest would ultimately be sold. If they can not put a price on wheat different from what it is, the farmer is gone anyway.

Mr. WATSON. How can they do it unless they take larger sums from the Treasury and buy a larger number of bushels of wheat?

Mr. BORAH. They can not do it then, except temporarily.

Mr. WATSON. This is emergency legislation.

Mr. BORAH. I do not care to continue the discussion. I simply want to say, in conclusion, that in my judgment the showing that is before us means that we are simply appropriating $150,000,000 for a temporary condition. Let no farmer believe that any permanent solution of the farm problem has been found by the Farm Board. We are just as far from a solution of the farm problem as we were when we met a year ago to solve it, and we propose to go home upon the 4th day of March and stay away for a year without attempting to do anything whatever in the way of solving the farm problem, and it is conceded that it is not solved by this board.

Mr. BROOKHART. Mr. President, once upon a time I took a lesson on the question of handling wheat. I took it from the greatest administrator in handling wheat in the history of the world, Mr. Herbert Hoover himself.

Mr. KING. What about Pharaoh and Joseph?

Mr. BROOKHART. That was a long time ago. That was before history got down to figures.

About the 15th day of July, 1917, Herbert Hoover wrote a letter to President Wilson. Now, I admonish the Democrats to keep quiet, because this was when he was a good Democrat. He said that England, France, and Italy were combining together and appointing one buyer to buy all their wheat; that they had decided to offer only $1.50 a bushel for No. 1 Northern wheat at Chicago; that the farmers could not afford to produce wheat at $1.50 a bushel under the war conditions; that in the year 1916 they received $1.51, but the speculator sold it as high as $3.25, and the price of flour was fixed upon the basis of $3.25. He said the speculation must be stopped and the farmers must be given a price that would cover their cost of production and a reasonable profit on that cost of production. He suggested that a Government corporation must be organized to do these things.

President Wilson got that law passed on the 10th of August, 1916. Four days later he appointed the Farm Board. Sixteen days later the board completed its deliberations and fixed the price of wheat. Talk about price fixing! It fixed the price of wheat. There were no "ifs" or "ands" or anything else about it. It fixed the price of wheat at $2.20 for No. 1 Northern wheat at Chicago, raising the European bid at Chicago 70 cents.

Mr. Hoover then bid that price for all the wheat that was offered, not for 65,000,000 bushels or 116,000,000 bushels or any other little bite in the wheat crop but for all that was offered. The board of trade and its futures went out of business that same day and they never sold another bushel of wheat on futures during the next three years while the wheat corporation existed. They did not come back into the gambling business until two or three months after the wheat corporation was discontinued.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. I yield.

Mr. SMOOT. That is true at $2.50 a bushel, and Mr. Hoover and everybody in the world knew that under the war conditions existing at that time wheat would bring $2.50 a bushel or more. He was perfectly safe in it.

Mr. BROOKHART. I am going to tell in just a little while what everybody knows about conditions now if they will just think about them. Mr. Hoover knew that our only buyer in the world was going to bid only $1.50 a bushel. The only bidder we had under those conditions was the combined allied countries. They had agreed upon that plan and appointed one buyer. But Mr. Hoover held the wheat. He did not sell it back through the board of trade into the markets and then buy it out again. There was no gambling about it. He held it and announced to the world that he would hold it until he got his money back.

That is what is lacking in the present situation. There is no policy about it. There is nothing of the kind pronounced here. The 116,000,000 bushels of wheat stands as a menace not only to the market of the United States, but to the whole market of the world. Nobody knows what the policy is, and that condition has done more to break down the world price of wheat than any other cause in the present situation.

Congress gave Mr. Hoover $150,000,000 to buy the surplus wheat, but authorized him to borrow more if he needed it. He needed $385,000,000 more and borrowed that much more. He bought and held $535,000,000 worth of wheat alone, and held it until he got his money back. There was no gambling about it. The gamblers had gone clear out of business.

Then 1918 came along and President Wilson, who said that bread would win the war, and that we needed more bread, called upon the farmers to plant more wheat; so they sowed about 18,000,000 acres more in wheat. Then the armistice was signed after that winter wheat had been sowed, and it looked like we might not need all of this big surplus of wheat. That crop went through the winter. By the first of March the department was predicting 1,200,000,000 bushels of wheat, and 800,000,000 is about our ordinary crop. Mr. Hoover was a little bit alarmed about handling the financing of that great prospective surplus of wheat and was afraid he might not be able to get the banks to loan him enough money to do it. Then he sent Julius Barnes to Congress. He said, "Give us a thousand million dollars, one billion dollars to handle this surplus of wheat."

The Senator from Idaho [Mr. BORAH] thought the $150,000,000 was an extravagant thing, but without the slightest hesitation on the 1st of March, 1919, $1,000,000,000 was handed over to him, a whole billion dollars with which to handle the wheat alone. The season came on, but it was a short crop. They got 968,000,000 bushels instead of the 1,200,000,000 they expected. That was still more than the ordinary crop. Hoover went out of the corporation on the 31st day of May, but Barnes went on with his policy and bought 138,000,000 bushels of the 1919 crop at $2.26—6 cents more going on because the railroad rates went up. They bought all of that wheat and held it until they got their money back and turned the profit into the Treasury of the United States. They made a profit on it of $59,000,000, and that was turned into the Treasury of the United States, and Mr. Mellon sits tight on that to-day and will not even let us have it for a debenture for agriculture.

That is the only way to handle the surplus. It is of no benefit to handle it by little bites or in little pieces. Any other system than by buying the whole surplus means a menace to the whole crop. That is the way the big industrials are handling their exportable surpluses right now. I hold in my hand a case of pens. That case of pens is a part of a surplus production of 10 or 15 per cent. That surplus is not even offered in the local market. It is boxed up and sold in the foreign markets, sold for the best price they can get and usually for a less price than is obtained in the United States. United States Steel under the tariff act is doing the same thing. Aluminum is doing the same thing. Every one of the industrial surpluses is handled as Hoover handled wheat.

Let us take cotton. I want to review the cotton situation a little bit. In 1926 we had the biggest surplus of cotton in the history of the country, about 8,000,000 bales, as I recollect. Suppose we had had a farm board operating with that cotton as Hoover did with wheat. Suppose the Farm Board had fixed the price at 23 cents a pound at the principal markets. It ought to have been something like that. That is my suggested figure. Suppose the Farm Board bid that price for all the cotton that had been offered. They would have had to buy $400,000,000 to $600,000,000 worth of cotton to maintain that price. Cotton is a bigger export item than is wheat, and Hoover bought and held the lot of wheat to which I have referred. It was a small investment compared with the size of the proposition, and 1927 and 1928 would have used up that surplus cotton without the loss of a dollar. Instead of a price of 23 cents, which would have meant 17 or 18 cents out in Oklahoma, they got 6 cents and hardly got more than 10 cents a pound anywhere in the United States. It sent farmers by the thousands and tens of thousands into bankruptcy all over the Northern States. It ruined the other business of the South.

Let us turn right around and consider the situation. If they had gotten 23 cents a pound, the farmers of the South would have been prosperous, and that would have made prosperous every other business in the South. The South would have bought immensely more from the North and that would have added to the prosperity of the North and of the whole country. But instead of providing the means to handle this exportable surplus in that sensible way and in the way every other industry that is succeeding handles its exportable surplus, we turned it over to a few speculators, about 50 of them altogether, and they brought this disaster upon the South and partly upon the whole Nation as a result of that situation.

Now they come along and say that if we use this sensible way of handling the surplus we would have an overproduction. What is the history of production? The National Industrial Conference Board has reviewed that question of production in the most scientific way of anybody in all the country. What do they say about it? They say the agri-

cultural plant is in full operation in the United States now; that we are using our available soil for crops or pasture now; that all we could do would be to shift from one to the other. They say the per capita growth of the people is far greater than the growth of agricultural production can be made. That is the situation in the United States. There is no danger of an ultimate exorbitant surplus that can not be handled.

Everybody has been looking at the wheat problem as though this year and this condition are the last year and the last condition for wheat in the United States and in the world, when it is well known that there may be a shortage next year which will make wheat go to two or three dollars a bushel. Nobody can tell about it. All the Farm Board has to do to make safe upon that proposition is to announce that it will buy all of the surplus that is offered. They can certainly raise the price to the top of the 42-cent tariff, and then if they will announce that they will not sell it this year, or the next year, or any other year until they get their money back, the world will know that that policy exists and that there is enough money back of it to carry it out—although there is not, of course, and $500,000,000 is not enough to do it for all products. Knowing that it is securely financed, however, we would be in a safe condition to protect that price.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. BROOKHART. I yield.

Mr. McKELLAR. On that very line I asked this question yesterday of Mr. Legge, and I want to give his answer:

> Senator McKELLAR. If you will permit a suggestion, if you fixed the price at which you would sell, and you were not going to sell it until that price was reached, that would be an entirely different situation. For instance, suppose you stated publicly, and let the whole cotton trade know, that this cotton was bought, say, at an average of 14 cents, and that you were not going to sell it until the market went back to 14 cents; why would not that have the very opposite effect on the price of cotton that your present position has, which is that next August you may have to put this cotton on the market?

Here is Mr. Legge's answer, and I am going to give his answer just as he gave it to the committee and not as it was printed in the hearings after he had changed it:

> Mr. LEGGE. The best advice we can get in the cotton trade, from men like Clayton and McFadden, and all these operators, is, they all advise against making a fixed figure, because they think that would have a more depressing effect, probably, on cotton prices, whatever the figure was, than to simply leave open the question of the time that this cotton will be sold, stating that it will not be sold within that length of time.

In other words, instead of fixing a price and saying they are going to hold the 1,300,000 bales which they have taken off the market until that price is reached, they would simply hold the 1,300,000 bales as a continuing threat to the cotton market, with the result that instead of raising the price or even stabilizing the price of cotton, the Farm Board, in my judgment, has been depressing the price of cotton ever since it has been in existence.

Mr. BROOKHART. Who are these dealers? Are they the speculators and dealers from whom Chairman Legge has taken advice?

Mr. McKELLAR. As I understand it, Anderson, Clayton & Co. are probably the largest cotton dealers in the country, and next to them is McFadden.

Mr. BROOKHART. Instead of handling that surplus as Hoover did when the Democrats authorized him to do it, Mr. Legge is consulting men who are opposed to that sort of control and who would lose their business if we should establish that kind of control in the United States.

I happen to know about one other situation in relation to cotton. I know that the Soviet Government wanted to buy a large order of cotton and the Farm Board refused them credit for it, so their representative told me was the fact. At the same time the International Harvester Co. sold vast quantities of machinery to the Soviet Government on credit.

I should like to support the Farm Board; I should like to be with them all the way through, but I do not know whether they are working for the farmers or are working to break down agriculture and reduce the farmers to a condition of peasantry, where it seems they are headed at this time.

Mr. President, I do not blame Mr. Legge for not buying all of the agricultural surplus; we did not give him enough money to enable him to do it. I think the $500,000,000 would have probably bought all the surplus of cotton and of wheat, corn, and oats. There is not any surplus of corn, and the purchase of almost any quantity of corn would bring the price up to the top of the tariff; there is no doubt whatever about that. There is not much of a surplus of oats, and a very small purchase would have taken care of that surplus. Those things might have been done with the $500,000,000; but livestock and other large products would require another $500,000,000 or $600,000,000 to handle properly.

We are going to lose this $500,000,000, and it is going to do us no good. If the Farm Board had bought all the surplus and raised the prices of farm products up to where they ought to be, then we would have had some compensation, even if a loss should occur.

I wanted the debenture turned over to the Farm Board; I wanted it issued to them instead of to the ordinary exporter. That would take out of the debenture all the argument, that the farmer would not get the benefit of it, and the speculators could not prevent it going to him. The Farm Board could then afford to raise the price by the amount of the debenture, and, in addition, would have the proceeds of the debenture as a fund with which to buy and hold farm products in the way I have outlined and indicated to-night. In that way the debenture would serve a double purpose, and I believe it would do more good than the mere amount involved in it. It seems to me such would be the effect.

Suppose the Farm Board had a loss on these products, does the Treasury of the United States owe the farmers anything? What is it that brought this condition upon the farmer? It is partly, and to a considerable degree, due to the railroad law. I refer to the law that sold the railroads of the United States to the people for $18,900,000,000 when their market value was only $11,750,000,000. That railroad law not only allowed $7,000,000,000 of watered value, but prescribed a rate of return of 5¾ per cent upon that value, although the American people each year produce only 4 per cent of new wealth with all their labor, all their capital, and everything. The railroad law not only did all that, but a guaranty provision was put in the law to guarantee war-time profits for six months after the roads were turned back to their owners on the 1st of March, 1920.

It was during that same six months that the Federal Reserve Board deflated the farmers of the United States; and as soon as the railroads got the guaranty of their war-time profits they padded their accounts enormously. Operating expenses were increased $1,485,000,000 in 1920, the year of the 6-month guaranty, and they made a deficit. That would make a deficit in anything. Then we wrote checks on the Treasury of the United States for $529,000,000 in order to pay that deficit, a cash subsidy to the owners of the railroads right out of the Treasury of the United States, despite conditions which I have described.

Under that situation, where is the man who can come into the Congress and say that the Treasury of the United States does not owe something like a similar measure of relief to the farmers of the United States? I say to you, Mr. President, that if we would give—to say nothing about the $7,000,000,000 of watered value that we allowed the railroads by law—the farmers as much in proportion, considering the number of people in the farming business and the railroad business, we would give them over $3,000,000,000. If they had that much, I say to you that the interest on it forever would pay the loss on the handling of the exportable surplus of all farm products under the method which I have described.

Mr. TYDINGS. Mr. President, I shall vote against this bill and against all other measures to appropriate more money to the Farm Board. First of all, I believe that the

very name of the proposition as a "farm relief" measure is a misnomer; I do not believe it is applicable any more than putting men, women, and children at an economic disadvantage and calling it philanthropy would be an accurate characterization.

Mr. JONES. Mr. President, let me suggest to the Senator that there is nothing in the act to indicate that it is a "relief measure." It is to carry out the agricultural marketing act, approved June 15, 1929.

Mr. TYDINGS. I understand that, but nevertheless during the last campaign in 1928 I remember on many occasions hearing many distinguished Senators on the other side of the aisle—and I do not wish to be partisan; I do not wish to reduce this debate to a Republican and Democratic standpoint—but I remember hearing over and over again the words, "Put this great engineer in the White House, and, ladies and gentlemen, he will solve this farm problem." It was not stated how it was to be done; there was no plan offered; but I remember my good friend from Iowa, who has just spoken, went up to see the President, and when he left there appeared on the front pages of all the metropolitan newspapers in 4-inch headlines the words, "Brookhart is pleased with Hoover's stand on agricultural problem."

Mr. BROOKHART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. I yield.

Mr. BROOKHART. That was at the time when Mr. Hoover gave me the record that I have described to you to-night, which is the proudest record for the farmers in the United States in all their history. I supposed that after he became the Republican President that record would be continued. I think I was warranted in that supposition, but it has not been continued.

Mr. TYDINGS. I do not mean to say that the Senator did not act in good faith.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Arkansas?

Mr. TYDINGS. I should like to be allowed to finish my statement. I have not interrupted anybody and have been sitting here two hours and a half and should like to make a continuous statement.

Mr. CARAWAY. I am not asking the Senator to yield, but, rather, I desire to make a point of order. I do not think such unpleasant experiences as these gentlemen have had ought to be the subject of debate here on the floor. [Laughter.]

Mr. TYDINGS. Mr. President, I do not mean to say that the Senator from Iowa was not sincere, for I believe he was, but it taught me the lesson that I must not take his leadership on farm problems too seriously.

Mr. President, the Farm Board has bought 124,000,000 bushels of wheat. I have heard much discussion on the floor about what is going to be the final outcome. Let us assume that the price of wheat has been raised 20 cents by the purchase and taking off the market of this 124,000,000 bushels of wheat; what is going to happen when the 124,000,000 bushels are put back on the market and sold? If it added 20 cents to the purchase price when the 124,000,000 were taken off the market, by the same logic it must depress the price 20 cents when they are put back on the market. I venture to say when the farmers of Iowa ascertain that the Farm Board is commencing to unload 124,000,000 bushels of wheat, no matter what the prevailing price may be at that hour, they will protest to the Senator from Iowa and to the President of the United States, "For heaven's sake do not put this wheat on the market now." The day will never come when the farmers themselves will be willing to have the price depressed 20 cents a bushel, whether there be hard times or whether there be good times.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. I yield.

Mr. BROOKHART. I think the purchase of 116,000,000 bushels has depressed the world market more than it has raised the American market.

Mr. TYDINGS. Yes; and it has depressed the taxpayers of the country a whole lot to put up the $250,000,000 which, in my humble judgment, has been wasted. Most of it will never find its way back into the Treasury of the United States.

Mr. BROOKHART. I am not shedding any tears over the big taxpayer.

Mr. TYDINGS. I believe if you are going to hold a man up it is more in the line of honesty to get a gun and do it in that way than it is to sneak around and take it out of his pockets through the artifice of unfair taxation.

Mr. President, the whole economics of this enterprise is as askew—that is the fit word for it—as one side of an isosceles triangle is square with the other. What are we going to do if there should be five good years of wheat production? Where is the money coming from to buy the surplus of two or three or four boom years in succession? Where are we going to store the wheat when we buy it, and who is going to pay the insurance on it and keep it from moldering? Who is going to pay the rent on the warehouses it will be necessary to use? These are items that are apparently left out of consideration. The Senator from Iowa seems to assume that, as there is a surplus this year, next year there will be a lean year and the surplus can be sent back into the market.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. Yes; I yield.

Mr. BROOKHART. There has never been a time in the history of the world when five years did not use up all agricultural products, cotton, wheat, and all.

Mr. TYDINGS. Yes; and there never has been a time in the history of the world when we had such a silly farm policy to encourage overproduction, so that the surpluses can not be consumed.

Mr. BROOKHART. We have always had a larger exportable surplus than we have right now. It is getting less all the time.

Mr. TYDINGS. Ever since the Senator's visit to Candidate Hoover I view a little askance all his predictions about what will happen in the future.

Mr. President, I want to be fair also to the Farm Board. We have all been criticizing Mr. Legge and the other members of the board, and I think that is partially unjust. I think we ought to begin by criticizing ourselves. The Farm Board did not make the farm policy; we made it for them, or, rather, the administration made it and we indorsed it by enacting it into law. Because it has failed we are not men enough to stand up and take our reasonable share of the responsibility, but are protesting about Mr. Legge and the other members of the Farm Board.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. I yield.

Mr. BROOKHART. I think the Farm Board ought to have done like Julius Barnes and come to us and told us what they needed to handle this enterprise. That is what we appointed them for as experts, and they certainly neglected that duty.

Mr. TYDINGS. The way the Senator quotes statistics on all occasions I thought he was certainly the expert who could give us the last word on this great economic problem without recourse to anyone.

Mr. BROOKHART. I have told the Senator what I know about it, whether he learns anything from it or not.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Washington?

Mr. TYDINGS. I yield.

Mr. DILL. I want to remind the Senator that a majority of the Senate did not want the farm bill; they did not take it until they were driven by the administration to take it.

Mr. TYDINGS. I appreciate that. I do not want to excuse myself, entirely, for I acknowledge now I am somewhat culpable for my share in this experiment; but I may say, by way of extenuation, that many of my colleagues on this side know I was very much opposed to the measure when it was passed, and said so, but any number of my colleagues said to me: "Well, you will be the only Member of the Senate to oppose it, and, furthermore, President Hoover ought to have his chance to put it over; give him his chance, and then if it fails it will not be your responsibility." I listened, but I am not going to plead limitations or any other excuse now. My vote was my responsibility; it was not the President's, although the scheme was his, and what the Farm Board has done is within certain elastic limitations of the law. It has carried out generally the policy which Congress declared and with the money which Congress appropriated for its use.

I am not going to blame the Farm Board altogether. There was only one thing they could do to stabilize the price of wheat, and that was to buy wheat and take it off the market, in order to decrease the supply and thereby make the available supply more comparable to the demand. That is all anybody could do. If the Senator from Iowa, whatever his scheme may be, can suggest any way by which the price of wheat can be raised without following that sound law of economics, I would be very glad to listen to his proposed plan. That is all the Farm Board did; and yet we want to know what the ultimate outcome will be.

Well, the ultimate outcome, so far as I am concerned, has already been reached. We have invested $250,000,000 unwisely, and, for my part, I am not going to vote to throw another $150,000,000 after it. We might as well take our loss of $70,000,000 or $100,000,000 or whatever it is and get back to a sound policy as soon as we can. I venture to say that if we continue to appropriate additional sums until we have $500,000,000 invested in this business, when the day comes to sell the surpluses the board has bought and taken off the market, the farmers of this country will rise in angry protest. Unless the Senate and House of Representatives or the Farm Board have plenty of courage, so great will be this protest against the sale of the surpluses that the Congress is likely to pass resolutions stating that surpluses be kept off the market. Such time limits are likely to be extended from time to time.

If these acts of the Farm Board have resulted in increasing the domestic price of wheat or cotton or corn, the day of reckoning will come when those surpluses will have to be sold back into the market; and then the price of wheat and corn and cotton will go down. What good does it do agriculture if you stabilize over a period of years the price of an agricultural commodity so that the stabilization price is below the cost of production? If it costs 10 cents a bushel to produce corn, and you stabilize the price over a period of three years at 9 cents a bushel, that stabilization does no good to the farmer. We have the country on stilts with the tariff; and, instead of recognizing our error, we are trying to rig up other elevating machinery in the rear of the seacoast to take care of the depression which is in part the economic reaction of our tariff policy.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. Yes; I yield.

Mr. BROOKHART. Does the Senator think it is all right by law to rig up the railroads, and then by law to rig up the banks and give them a Federal Reserve Board, and by law to rig up the protected industries and then the patent industries, and then by law create great corporations to combine them, and do nothing for agriculture by law? Is that his theory?

Mr. TYDINGS. I should like to answer the Senator's question, and I hope I may have his attention. May I ask the Senator first if he thinks that is right? May I ask the Senator to answer his own question "yes" or "no"?

Mr. BROOKHART. It is all past and gone. Regardless of whether it is right or wrong, it is done.

Mr. TYDINGS. Will the Senator answer his own question?

Mr. BROOKHART. It having been done, there is no way to meet it except to bring agriculture up to the level or to bring those other things down to the level of agriculture.

Mr. TYDINGS. Does the Senator think it was sound to do the things he mentioned?

Mr. BROOKHART. As an original proposition, I would not have done any of them; but that day is past and that argument is past.

Mr. TYDINGS. The Senator makes the argument—I use this only by way of illustration—that if 50 other men in his community steal it is all right for him to steal also.

Mr. BROOKHART. That sounds to me like an antiprohibition argument.

Mr. TYDINGS. That is what I am trying to do; and this time I am on the side of the prohibitionists to try to prohibit the ruthless waste of public money.

I hope there will be a record vote on this $150,000,000. We are not in the experimental stage now. We have definite acts by which we can test the probabilities of success of this Farm Board policy in the future. It will be a mighty good political document to use two years from now when the final reckoning will have to be made and the farmers have had the veil of deceit torn from their faces.

Here is our country in the throes of a great depression. We have appropriated, through many different channels, millions of dollars to take care of relief in one form or another. This is not a relief measure. The $150,000,000 which we will appropriate in this bill is not to take care of any emergency. It is to carry on what purports to be a fixed, definite policy of this Government, for all time, for the marketing of agricultural products. I say now that if this $150,000,000 appropriation passes at this session of Congress, at the next session of Congress we will be called upon to pass another bill for one hundred, two hundred, or three hundred more million dollars. We are likely to get so deep into this thing that it will result eventually in the greatest farce, the greatest failure, that any of us have seen in a long, long time.

That is all I have to say about it, Mr. President.

Several Senators addressed the Chair.

Mr. TYDINGS. I want to have just a word more. I have not yielded the floor yet. I just want to say now that I accept my full share of responsibility for having been a party to the passage of the act originally. I did not want to vote for it, but I did, and I will not plead excuse. I have seen enough of the actions of this board, however, to know that even Mr. Hoover's plan can not change the law of economics, and that if we take agricultural produce from the market and store it away and thereby raise the price we will have to put it back on the market some day and depress the price.

If we store up enough surpluses, and the farmers of this country are organized, the Senate and the House will resolve from now until doomsday telling the Farm Board not to dump their surplus upon the market now, because tottering agriculture can not stand the load.

Mr. WALCOTT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Connecticut?

Mr. TYDINGS. Yes; I yield to the Senator.

Mr. WALCOTT. I should like to ask the Senator a question in order to clear up something that seems to me ambiguous.

The report makes this statement:

> As of December 13, 1930, the board had made commitments against the fund—

That is, against the $500,000,000 fund—

> totaling $376,013,974.40, under which moneys have been advanced totaling $338,996,508.71.

That indicates that out of the $150,000,000 now asked for $128,000,000 have been actually pledged; so that if their request is not granted now are we not compelling the Farm Board to repudiate its obligations? I suppose these are wheat contracts. I think we ought to clear up that point before we do anything else.

Mr. TYDINGS. I have thought about that, and I believe that the Farm Board will be able to clear up that situation without an additional appropriation; and let me explain how:

For the wheat and the cotton and the other things which they have now bought and paid for they have expended money. In place of the money they have the commodities. It is my idea that after those commodities are resold again in the market a part of the original investment, at least, will come back into the fund of the Farm Board, with which it will have enough money remaining out of the $250,000,000 originally appropriated with which to discharge its obligations for its future contracts. If there should not be enough money to take care of the Government's pledged word, I, for one, would vote for a sum which at least would permit the Farm Board to keep faith with its customers, although I do not want to do that unless it is absolutely necessary.

Have I answered the Senator's question?

Mr. WALCOTT. With this exception: It seems to me that if we deny the $150,000,000, or part of it, we are denying the Farm Board a chance to create a revolving fund unless they sell a very substantial portion of their present wheat holdings, because they have contracts, as I understand, which are still obligations unpaid for to the extent of $128,000,000. In order to realize the money for that they would have to sell wheat that they now have in storage, which I should think would be a distinct disaster to the present price of wheat.

Mr. TYDINGS. I think the Senator's point is well taken there; and may I say that I believe the correct way to solve the problem which he visualizes would be, after the holidays, for testimony to be taken on that particular point, and then for a bill to be drawn which would give the Farm Board exactly enough money to carry out its future pledges, and no more.

I, for one, believe that the system is not sound, that it is bound to fail, and that the sooner we face the failure the better off we will be; and I am ready to face it now.

Several Senators addressed the Chair.

Mr. TYDINGS. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I just want to call attention to the fact that the board are selling cotton all the time. They keep an average amount of 1,300,000 bales on hand, but they are constantly selling the cotton and buying futures against it. The result is that it just leaves that 1,300,000 bales, which may be put on the market, as Mr. Legge says, next August, as a constant menace to the price of cotton.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. SMOOT. Well, Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. CAPPER. I yield.

Mr. SMOOT. The Senator must admit that the board can not go any farther in buying cotton unless they are furnished with more money than they have.

Mr. McKELLAR. Yes; but Mr. Legge says they do not intend to buy any more. They do not intend to change the condition at all. They have done all they can do, and they will not promise to hold this 1,300,000 bales, except until next August. The spinners will understand from that that all they have to do is to wait until next August, and they will get cotton at a still lower price. In other words, instead of stabilizing the price of cotton by taking the 1,300,000 bales temporarily off the market, they are constantly depressing the price; and the result has been that since the Farm Board has been in existence cotton has gone down from 18 cents to about 8½ cents.

Mr. SMOOT. I want to say that if that is the case, the Senator takes the position that all that has been done in the past by the Farm Board has been a detriment rather than a benefit.

Mr. McKELLAR. I think so. The Senator from Idaho [Mr. BORAH] said a while ago that he did not know but that some good had been done wheat. I am not enough of an expert on wheat to express an opinion about it; but, in my judgment, what the Farm Board has done for cotton has been a detriment from the very beginning, and we would have gotten an infinitely better price if it had never been in existence.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield?

Mr. CAPPER. I yield.

Mr. SMOOT. I do not know what they would have done, what the price of cotton would have gone to, if the amount of cotton that has been purchased by the board had been thrown upon the market over and above what is still on the market and held outside of the board.

Mr. McKELLAR. Here is the answer to that. The purchase of that amount of cotton by the board has done no good, because the board has kept it in storage, has not taken it off the market. They have just kept it there, and there is a constant threat in that great number of bales.

Mr. SMOOT. If the board had not purchased it, it would have had to be sold, and if that amount of cotton had been forced upon the market, the prices never would have been what they have been while the board was purchasing this cotton.

Mr. McKELLAR. I doubt that very much.

Mr. CAPPER. Mr. President——

Mr. BLEASE. A point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BLEASE. The Senator from Maryland had the floor.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BLEASE. I beg the Chair's pardon; the Senator from Maryland had the floor and was speaking. He yielded the floor to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BLEASE. As I understand the rule——

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BLEASE. A Senator can yield only for the purpose of asking a question. The Senator from Tennessee proceeded to make a speech. The Senator from Maryland still had the floor. I want to know if a Senator can yield to whom he pleases and bar another Senator from the floor who was standing in his place, as was the Senator from Alabama, who had already been recognized by the Chair.

The PRESIDING OFFICER. A Senator can not yield the floor to some one else.

Mr. BLEASE. Very well.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BLEASE. I would like to have the Chair tell me how he got it.

The PRESIDING OFFICER. He has it in his own right, after being recognized by the Chair.

Mr. BLEASE. I would like to know how he got it by any rule of the Senate. I stick to my point of order. How did the Senator from Kansas get the floor when the Senator from Maryland yielded to the Senator from Tennessee and the Senator from Alabama was on his feet asking recognition?

The PRESIDING OFFICER. The Senator from Kansas addressed the Chair. The Chair recognized him after the Senator from Maryland took his seat.

Mr. BLEASE. The Senator from Maryland did not take his seat, because the Senator from Tennessee was still speaking.

The PRESIDING OFFICER. The Chair will ask the Senator.

Mr. BLEASE. He has gone from the Chamber.

Mr. CAPPER. Mr. President——

Mr. BLEASE. Wait a moment. I would like to have a ruling as to whether a Senator can yield to whom he pleases, and leave the Chamber.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. CAPPER. Mr. President——

Mr. BLEASE. Mr. President, I rise to a point of order. The Senator from Kansas has not the floor in his own right. The Senator from Alabama was recognized.

The PRESIDING OFFICER. Does the Senator from Kansas yield?

Mr. CAPPER. I yield to the Senator from South Carolina.

Mr. BLEASE. The Senator from Alabama had been recognized by the Chair. How could the Chair change his recognition to another Senator?

The PRESIDING OFFICER. The Senator from South Carolina is out of order.

Mr. BLEASE. I know I am out of order according to the present occupant of the chair, but I am not according to parliamentary law.

Mr. CAPPER. Mr. President, when Congress passed the agricultural marketing act it gave the Federal Farm Board about the most difficult task that ever was turned over to a Government agency. The board has been criticized, and possibly some of the criticism is justified. The board no doubt has made mistakes, but I believe that Chairman Legge and the members of the Farm Board are thoroughly sympathetic with agriculture, and that they have in good faith been trying to make the best possible use of the program which was given to them by Congress. I think the board should be commended and encouraged instead of condemned; at least it should have a fair chance to go on with its program.

Before we undertake to deprive the Farm Board of the financial support it must have if it is to go ahead with the program, I think we should give serious consideration to expressions of those who are most vitally interested, such expressions, for instance, as that which comes from the American Farm Bureau Federation, adopted two weeks ago at its annual meeting at Boston. The Farm Bureau makes this appeal to Congress:

> We renew our previous pronouncement in support of and cooperation with the Federal Farm Board in its efforts to administer the agricultural marketing aot. The Federal Farm Board has wisely established a number of national commodity sales agencies and correctly refuses to create more than one such agency for any one commodity. It is equally important that competitive regional agencies be not established. As necessity arises it is expected that national sales agencies will be created for other commodities.
>
> The stabilization activities of the Federal Farm Board in wheat and cotton have demonstrated the usefulness of this feature of the agricultural marketing act. However, these activities should be extended into more crops, not alone those which have great surpluses, but others which can be aided by the use of lesser portions of the revolving fund. A revolving fund of whatever amount necessary for stabilization and other activities should be made available by Congress.

Here is another appeal which I got from my own State. Mr. Thomas Bragg, an executive officer of one of the largest and most important cooperative wheat growers' associations in that State, an association which owns a large number of cooperative elevators, addresses me in these words. The letter was received this morning.

> The old-line grain elevator people are fighting the Farm Board and the producer, the latter as they always have.
>
> I am pleased, indeed, to see the local farmers' cooperative organizations, so many of them, taking stock in the Farmers' National Grain Corporation, sponsored by the Farm Board. Personally, I have been hopeful and confident from the first that a right move has been made by our Government in the interest of a far more equal opportunity for agriculture in our farm-marketing problems as compared with other industries.
>
> Sincerely yours,
>
> THOS. BRAGG,
> *Dodge City, Kans.*

There comes to my desk this morning a communication from the National Cooperative Milk Producers' Federation, informing me of the adoption of this resolution at their fourteenth annual convention, held at Des Moines, Iowa:

> *Resolved*, That we voice our appreciation of the work of the Federal Farm Board in assisting farmers to build and strengthen cooperative marketing associations, and we urge all farmers to give their utmost support to such efforts.

The president of their federation, Mr. Hartke, of Covington, Ky., is quoted as saying:

> It is to be regretted that powerful business interests are now seeking to emasculate the law by striking out the provisions of the argicultural marketing act that permit the Federal Farm Board to loan funds to farmers' cooperative marketing associations.

Mr. President, I listened to the testimony of Chairman Legge before the Committee on Appropriations in support of the pending measure and was very much impressed by his sincerity and by his earnestness. I think he is entitled to great credit for his efforts to organize the farmers and stabilize prices.

I was impressed by the information he gave the committee as to the price levels on the various markets of the world showing that, so far as major commodities are concerned, particularly as to wheat, the prices in the grain markets of the United States are now on a much higher level than the markets of any other country. He pointed out especially that the Winnipeg wheat market this week was 22 cents under the Chicago market, and that the Liverpool market is from 10 to 20 cents under the Chicago market. We should give the Farm Board credit for the higher prices in the American markets.

Since hearing Mr. Legge's testimony there has come to my attention an illuminating statement of the prices of farm products in three countries which have been competitors of the United States in world markets for many years. This statement compares the United States with Canada, with Argentina, and with Australia, as to major farm products, and in almost every instance the prices in the markets of the United States are materially above the prices in the markets of the other countries. The Farm Board and the recent tariff law are entitled to the credit for the higher prices in the American markets at this time.

These reports have been made within the last 30 days by the division of statistical and historical research of the Department of Agriculture, and I ask unanimous consent that they may be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? There being no objection, the matter was ordered to be inserted in the RECORD, as follows:

Comparative prices in Canada and the United States for October, 1930

[Division of Statistical and Historical Research]

Commodity	Unit	Canada			United States		
		Description	Market	Price	Description	Market	Price
Wheat	Bushels	No. 3 Manitoba northern	Winnipeg	$0.68	No. 1 dark northern spring	Minneapolis	$0.83
Oats [1]	do		do	.33	No. 3 white	Chicago	.36
Barley [1]	do	No. 3	do	.32	No. 2 special	Minneapolis	.54
Rye	do	No. 2	do	.37	No. 2	do	.49
Flaxseed	do		do	1.29	No. 1	do	1.80
Cattle	Hundredweight	Steers, good, over 1,050 pounds	Toronto	7.27	Steers, good, over 1,100 pounds	Chicago	10.26
Hogs		Bacon	do	11.66	Butcher, bacon and shipper, 180–200 pounds	do	9.63
Butter	Pound	Creamery, finest	Montreal	.33	92° creamery	New York	.40
Eggs	Dozen	Fresh, extras	do	.52	Fresh extras	do	.34
Wool	Pound	Western range, ½ blood, semi-bright.	Toronto	.15	Ohio and Pennsylvania Delaine	Boston	.31
		Eastern bright, ¼ blood	do	.17	Fleece, ¼ blood combing	do	.52

[1] September price.

Comparative market prices for specified commodities in Argentina and the United States for certain dates in November, 1930

Commodity	Date	Unit	Argentina		United States		
			Market	Price	Description	Market	Price
Wheat	Nov. 8	Bushel	Buenos Aires	$0.68	No. 2 Hard Winter	Kansas City	$0.69
Corn	do	do	do	.35	No. 3 Yellow	Chicago	.71
Oats	do	do	do	.18	No. 3 White	do	.32
Flaxseed	do	do	do	1.17	No 1	Minneapolis	1.67
Beef steers, chilled special	Week ended Nov. 8	100 pounds	do	4.60	1,100–1,300 pounds	Chicago	10.92
Hogs	do	do	do	6.47	Heavy	do	9.26
Wool, medium crossbred	Nov. 19	Pound	do	.11	56's strictly combing-grease basis.	Boston	.28

Argentina prices: Grains from Times of Argentina, dated November 10, 1930; Livestock from Review of the River Platte 69:59, November 14, 1930; Wool from cabled Reports Circular of Anglo Saxon American Bank (Ltd.), dated November 22, 1930. United States prices from records Division of Statistical and Historical Research.

Comparative market prices, specified commodities in Australia and United States for certain dates, October–November, 1930

Commodity	Date	Unit	Australia			United States		
			Description	Market	Price	Description	Market	Price
Wheat	Oct. 27	Bushel	New, bagged lots	Sydney	$0.65	No. 1 Western White, sacked	Seattle	$0.77
Do	do	do	New, bulk parcels	do	.73	No. 2 Red Winter	St. Louis	.86
Corn	do	do		Brisbane	.79	No. 3 Yellow	Chicago	.79
Oats	do	do	Feed	do	[1].42	No. 3 White	do	.36
Barley	do	do	Feed, English	do	[1].60	No. 2 Special	Minneapolis	.51
Do	do	do	Malting, English	do	[1].72	Shipping	San Francisco	1.20
Steers, beef	Oct. 30	100 pounds	Durham, prime average yearlings (about 500 pounds).	Sydney	[2]10.79	Good, 600–900 pounds	Chicago	[3]12.10
Sheep, wethers	do	do	Merino, good quality, 56 pounds	do	[4]4.49	Medium to choice yearlings, 90–110 pounds.	do	[3]5.92
Sheep, ewes	do	do	Merino, good quality, 52 pounds	do	[4]3.90	Medium to choice, 90–120 pounds	do	[3]3.22
Wool	Nov. 26	Pound	Clean, delivered Bradford, 70's warp.	do	[5].50	Scoured basis, territory, 64's, 70's, 80's, strictly combing.	Boston	.73
Do	do	do	Clean, delivered Bradford, 60's super.	do	[5].38	Scoured basis, territory, 58's, 60's, strictly combing.	do	.68
Butter	Oct. 25	do	Choicest quality	do	.36	92 score	New York	.40

[1] Average of price range.
[2] "Yard yearlings," weight about 500 pounds each, are quoted at 11/2 per head. On this basis we have calculated the price per 100 pounds.
[3] Average for week ended Nov. 1, 1930. Price, beef steers, 600-900 pounds, is used as being more nearly comparable with the available Australian quotation than our more usual 1,100–1,300 pounds.
[4] Wethers, weight 56 pounds per head, are quoted at 10/4 each, and ewes, weight 52 pounds per head, are quoted at 8/4 each. On this basis we have calculated the price per 100 pounds.
[5] The Sydney price is quoted as price delivered at Bradford. The cost of shipping wool from Australia to England is between 1 and 2 cents per pound.

Australian prices: Grains from Sydney Morning Herald, p. 11, Oct. 28, 1930; livestock from (Sydney) Country Life and Stock and Station Journal, p. 20, Oct. 31, 1930; wool from Wool Record and Textile World, Bradford, England, 38:1328, Nov. 27, 1930; butter from Prescott (Ltd.), Farm and Dairy Produce, Butter Circular, Oct. 25, 1930. United States prices from records Division of Statistical and Historical Research.

Mr. BROOKHART. Mr. President, I would like to ask the Senator a question. The Senator has shown that the prices in the United States are now higher than the world prices. Last year the condition was exactly the reverse, was it not?

Mr. CAPPER. In several instances it was.

Mr. BROOKHART. Last year, instead of getting us 18 or 20 cents more for wheat, we got about that much less for wheat when the farm act was passed.

Mr. CAPPER. I think the action of the Federal Farm Board in its recent attempt to peg the price, as far as wheat is concerned, has been very helpful.

Mr. BROOKHART. It has pegged it some recently, but last year it could have pegged it 20 cents higher, as it did this year; but it did not do that.

Mr. HEFLIN. Mr. President, the work of the Farm Board has not been satisfactory to any of us, I believe. In many particulars it has been very disappointing to me. But I am aware of the fact that this is a new and an untried agency of the Government, and I am aware of the further fact that all of the old agencies operating upon the speculative exchanges have been seeking from the outset to destroy this governmental agency. They are organized. They have unity of purpose and concert of action. They are all hammering upon this governmental agency.

That this governmental agency has made mistakes we all well know, and one of the mistakes it has made was in going into the speculative business. It was my purpose, when I voted for the law, voted to create this board, to have them buy actual cotton, take it off the market, and hold that cotton until the price of cotton advanced. It was my purpose that they should buy actual wheat and take it off the market and hold the wheat until the price of wheat advanced.

Mr. President, when these speculative concerns saw this board about to go into the market to buy wheat and cotton and to hold them, they were alarmed, but when they saw them coming to the exchange to engage in their own game of speculating, they said, "It is all over. We have them now where we want them." And that is the truth. The board made a mistake in going in upon the exchanges to speculate in cotton and in grain.

We can not afford, however, to throw the board down at this stage. I repeat, we are not satisfied with what has been done and what has been accomplished. But it will not do to leave the board empty handed, without money to hold the contracts they have, to hold the actual cotton they have and the actual wheat they have. We must help a little more and trust to the future.

None of us seems to be able to tell just what is going to become of all of this. We are hoping for the best. I submit, as the Senator from Idaho has said, that it is a rather strange thing to bring in a bill carrying such an amount to be put over in a few minutes in the closing hours of the session. But it looks as if that is all we can do, or put this appropriation over until after the recess; and if the board has but $2,000,000 now I do not know what might happen by the 5th of January.

I am very reluctantly going to vote to provide this fund. I want to tell the Senate and the country that there are other things with which we have to grapple, as well as these agencies, which are operating directly against this Farm Board; and one of them is the stock exchange, which is the mother of all the crime on all the exchanges. It is the controlling force not only upon the speculative markets of the country but upon the spot markets of the country.

Let me read the Senate a report fresh from the cotton market to-day:

NEW YORK, December 20.—A steadier tone prevailed in cotton to-day as the direct result of the improvement in stock and bond prices.

Senators, do you get the full significance of that? The grain exchange waits upon the whim and caprice of the stock exchange. The cotton exchange waits upon the action of the stock exchange. If the stock exchange has a crash, there is a crash in wheat and a crash in cotton, and they have not much farther to crash before they will be on the ground. If there is an advance in price of stocks upon the stock exchange, there is a little advance in cotton and a little advance in wheat.

So, Mr. President, I am going to give those Senators who are quarreling so bitterly with the farm situation and the Farm Board an opportunity to pass on the question of regulating the New York Stock Exchange. I introduced a bill, which was referred to the Committee on the Judiciary, to limit the interest rate on call money in New York and to prevent speculating in margins on the stock exchange. If we will do that, we will solve the biggest problem before the American people. But when we undertake to do that we are going up against the greatest stock gamblers of all the world, with the wealth of the richest men of the world against us. Stock gambling is a great pastime with them in New York City. Everybody is looking to New York. It is the all-absorbing and all-powerful force in the Nation to-day. Banks are breaking everywhere. Why? Because bank presidents and in many instances bank cashiers are speculating with money belonging to their depositors. Banks are breaking back in the States. Money is being drawn out of the channels of legitimate business. The body of business is being paralyzed. The volume of money in circulation is decreasing every month. We have the smallest volume in circulation now that we have had since 1923, and yet we wonder what is the matter with American business.

The New York Stock Exchange is the all-dominating force. Big business men in the Nation are as afraid of that place as they are of death. I am getting letters from them all over the country saying that my bill ought to pass; that I am on the right track. A business man of Boston, as soon as he learned that I had introduced the bill, wrote me, "I will be in Washington to-morrow morning to talk with you." He came and showed me letter after letter from some of the best business men in New England saying that their business is being affected daily by operations on the stock exchange, that business is tied up, that building construction is being postponed until the situation gets better on the stock exchange.

I want to say in conclusion, because I am not going to detain the Senate at any length to-night, that we must battle with these big questions; we must aid the Farm Board in every way we can. If they are not doing the thing right, let us point out to them what they ought to do. I for one am going to make some suggestions to them immediately after the holidays as to what they should do with reference to cotton. But while we are undertaking to find out what to do let us take the wolves of Wall Street off of their trail; let us dispose of the stock gamblers. They are the ones we have to regulate.

Senators, until we regulate the New York Stock Exchange, and until we put a greater volume of money in circulation, we are not going to have prosperity in the country. If I were President I would put $4,000,000,000 more into circulation just as fast as I could provide the money to do it. What have we in circulation now? Including the currency in the United States, paper and other money, and all that is abroad in foreign countries, it is only $4,500,000,000 for 120,000,000 people!

I stated here the other day a sound proposition. The greatest economists of the world have said that there ought to be in circulation $1 for every $25 of national wealth. That would give the Nation $10,000,000,000 in circulation. Mr. President, if we had $10,000,000,000 in circulation in the United States we would not hear of a surplus of wheat, we would not hear of a surplus of cotton, we would not hear so much about people being unemployed. The principal thing from which we are suffering is a dearth of money in circulation. We need more money circulating among the people of the United States. When we have that, when we have put more money into circulation, and then lay our hands upon the New York Stock Exchange and put an end to its gambling activities—letting it sell stocks and other securities and the like, but doing away with the gambling features—we will have solved two of the greatest problems which now confront the American people.

Mr. GEORGE. Mr. President, I had not the slightest intention of making a speech at this late hour, and yet the Senate, called upon to appropriate $150,000,000, ought not to hesitate to give to the matter such consideration as it deserves. I do want to say, without any appeal to partisanship whatever and without sounding the note of partisanship, that it strikes me and ought to strike the country, and ultimately it will, that any charge that anybody in this Chamber has undertaken to play politics or make raids upon the public Treasury comes with bad grace from the head of an administration whose chief legislative proposal—and I measure my words—whose chief legislative proposal since he took office has been his insistence upon the farm relief bill which calls for an appropriation out of the public Treasury of $500,000,000. I do not say that is a raid upon the Treasury as the President has used that expression with reference to relief legislation, but I do say it is a draft upon the Treasury, and the debate in this body to-night is convincing to any mind that the judgment of the American people is not as one concerning the wisdom of this major legislative proposal of the President of the United States.

Mr. President, it is perfectly familiar to the Senate and to the country that the farm-relief program which many of us desired to see enacted was in no sense akin to the pending piece of legislation. Some of us voted for the equalization fee and many of us for the export debenture provision. Most of us voted for the measure because it represented the thought of the administration with reference to the major problem before the people of the United States, to wit, the relief of agriculture. We did it because we believed the President was entitled to have his chance at the solution of the problem, to the solution of which he stood pledged in his campaign for election.

Mr. President, we are now asked to appropriate an additional $150,000,000 to the Farm Board. I do not think it becomes us to criticize the board. The board in point of personnel is worthy of confidence. We may not have approved all of its members at the time they were appointed, but the membership of the Farm Board certainly measures up to the responsibilities of the legislation in my judgment. If there is any failure, the failure rests not upon the board, because the board has devoted itself conscientiously to the major agricultural problems in the country. The fault is with the legislation and the board can not be expected to accomplish anything beyond the limitations of the power reposed in it under the act.

I invite the attention of the Senate to the fact that the First Annual Report of the Farm Board, which was filed in this body at the beginning of this session, is one of the most remarkable official documents ever filed in the archives of our Government. I suggest to Senators that if that document be read it will be found that the board itself has dealt with its own problems, its own efforts to solve the agricultural problem, and has pronounced its own conclusions with an admirable and astounding frankness. The board, as the Senator from Idaho [Mr. BORAH] has pointed out, has practically reached the conclusion that, so far as the board is concerned, the solution of the agricultural problem does not lie within the confines of the marketing act under which the board is created, but that the solution of the problem lies with the farmers of the United States, and that all the board can do is offer its good advice to the farmer.

I have no disposition to read that report to the Senate, but I earnestly invite Senators to read it. I want to read just a few sentences from it. This is the conclusion of the board:

> In a major stabilization operation with a commodity such as wheat, it is inevitable that a large quantity of the commodity must be taken in order to exert any material effect on the market. Furthermore, the accumulation of a substantial volume, the most of which necessarily must be in the visible supply, has a some-

what depressing effect upon prices. Announcement that such accumulations will not be sold is not sufficient to reassure buyers unless the quantity thus held renders difficult the purchase of supplies adequate to the demand. Even then the demand is curtailed or limited to immediate requirements, and forward buying in anticipation of future needs is lessened.

Among its other conclusions is the following:

Purchases in the cash market alone are inadequate to sustain prices and do great injury to legitimate operations in the option market by throwing cash prices out of line with the futures. This being true, a stabilization activity must be conducted along the entire line with the inevitable result that large purchases for future delivery must be made.

Again I invite the attention of the Senate to this suggestion:

Transactions in the futures market having been entered upon, there is no good place to stop, even within the limits of a single crop-marketing period.

Thousands of bankrupt organizations can attest to the truth of that conclusion reached by the board.

Option prices are published covering a period of from six to nine months in advance, and as soon as any future option is abandoned or militated against, that option gets out of line with the cash market and other options. This imposes considerable hardship upon processors whose customary practice of hedging or insuring their purchases is conducted through the futures market.

The Farm Board has made a notable contribution to some other problems which have been pressed upon the Congress, to wit, the proper regulation of the grain and cotton exchanges. It has been repeated upon this floor time after time that those exchanges did not fix the price of the actual commodity, whether grain or cotton. Here is an admission by the board that it is absolutely necessary to trade not alone in the cash market, but in the futures market, because trading alone in the cash market or trading alone in the futures market will throw the price of the cash market or the futures market out of line.

So the board has gone into the futures market and it has done so because it is necessary in order to control the cash market. That is exactly what those of us who have made an earnest plea for the regulation and the prohibition of gambling operations upon the cotton and grain exchanges have said here, that such exchange operations did control the cash market; that is to say, that they did fix the price of the farmer's product. Now the Farm Board has reached that conclusion, and has submitted it to this body as its deliberate conclusion which is contained in its first annual report.

Not only that, Mr. President, but the board has indicated by its further conclusions, which I shall not read, that, while it believes it has a function and a field under the marketing act, the possibilities of benefit to agriculture are far more limited than the farmers of the country themselves have been led to believe as indicated by the demands upon the board of the farmers or those who represent the farmers. Read frankly and candidly, the First Annual Report of the Farm Board is an admission that ultimately the farm marketing act must break down and become one of the most colossal failures of any economic piece of legislation ever proposed by any administration or enacted by any Congress.

I am not speaking as a partisan. If it were not for a condition to which I shall direct the Senate's attention in bringing to a conclusion what I am now saying, I would not vote for the appropriation asked for by the board. We face facts, not theories; we face a condition and not a theory. What are the facts? As to cotton, for instance, the Farm Board itself through a stabilization process or effort has accumulated a million and a quarter bales of cotton. It holds that cotton or against some actual spot sales it holds hedging contracts.

The cooperative marketing associations themselves which are engaged in handling cotton have on hand approximately 2,000,000 bales of cotton, making a total of some three and a quarter million bales of cotton which are now held by the Farm Board or by the cooperative associations, which are absolutely dependent upon the Farm Board. If we shall withhold this appropriation——

Mr. CARAWAY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. GEORGE. I yield.

Mr. CARAWAY. I am asking the question for information. Is it true that the Farm Board itself has ever bought any spot cotton or ever had any spot cotton?

Mr. GEORGE. The board, through its operations, has accumulated an amount of cotton.

Mr. CARAWAY. My information was that the board never put the cotton stabilization corporation into operation, and if it ever bought any cotton, it was futures.

Mr. GEORGE. I do not think that is correct, I will say to the Senator.

Mr. CARAWAY. That is the understanding of the Senator from Utah.

Mr. GEORGE. But I want to finish what I was saying, because I was drawing my remarks to a conclusion.

The board is responsible for the three and a quarter million bales of cotton either held by itself or held by the cooperative associations, either in actual spot or in spot and futures contracts. If the board should be denied this appropriation for which it is asking, and which is wholly within the limits of the original authorization, it is difficult to conceive what would happen to the cotton market to-morrow; and in the present situation of business and commerce and of the financial institutions of the country I do not think that any man could foresee what the effect would be upon the conditions in the United States the day after to-morrow.

Whether the Farm Board has done much good for wheat or whether it has done much good for cotton, whether it has done any good at all, it stands as the effective and responsible agency of a large part of the present cotton crop. At this juncture of affairs its immediate withdrawal from the market or repudiation by Congress would, in my judgment, result in a major calamity in the United States. I think the same may be said of the other major crop—wheat—with respect to the operation and responsibility of the board in that field.

I may not place my reason for supporting this bill upon a very sound basis, and yet I am convinced that the only practicable, feasible course to take in the circumstances is not to stand in opposition to this appropriation but to grant it to the board. Certainly, immediately, the passage of the bill will be of immense benefit not alone to agriculture but to the whole business structure of the United States, while the refusal to pass the bill will unquestionably affect the whole business structure including agriculture.

Mr. WHEELER. Mr. President, I shall take only a very few moments of the Senate's time, but I do wish to explain my vote in this instance. I am going to vote for the appropriation of $150,000,000, but I want to go on record first as saying that, in my judgment, the Farm Board will not and can not solve the problem of the wheat farmers of the United States. I voted against this bill when it was originally before the Senate of the United States. I voted against it because of the fact that I conceived at that time that it would not be effective in solving the problems of the farmers of the Northwest. I also voted against the confirmation of some members of the Farm Board because of the fact that when they were appointed upon the board they said that the prime object of the bill was to get the farmers of the United States to reduce their acreage.

Mr. President, it ought to be perfectly apparent to anybody who knows anything about wheat farming in the United States—and I assume that the same statement applies with respect to cotton farming—that as a practical proposition it is an impossibility to get the wheat farmers of the United States to come out en masse and reduce the acreage of wheat. The Senator from Idaho [Mr. BORAH] covered some phases of that aspect of the subject. I had intended to discuss this question at some length, but on account of the lateness of the hour, I shall simply say that I am going to vote for the bill, notwithstanding the fact that I neither approve of the legislation nor of the policies

the board has adopted, because of the fact that if it should be defeated I feel that it probably would cause a serious disturbance in the business world and likewise, if you please, Mr. President, it would give to the opposition party an opportunity to say they did not have a fair chance to work out their plan of farm relief and that Senators on this side of the aisle defeated it when the party in power were on the verge of making it a success. Notwithstanding the fact that I do not believe in this bill and the policies of the Farm Board, I want to give the administration the fullest opportunity to try the experiment. I hope it will succeed, but I can not for the life of me see how it is possible for it to do so.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

Mr. JONES. Mr. President, I shall say just a word. I think the junior Senator from Montana [Mr. WHEELER] has stated the proper course of action that we should take. I do not think any of us know whether this is going to be a genuine success in the end or not, but it is a proposition that can be tested only by trial.

I am not going to take the time further of the Senate. We have discussed the wisdom and the unwisdom of the legislation. It is the duty of the Appropriations Committee to bring in the appropriation necessary to carry out the existing law. This we have done, and, as the Senator from Montana suggested, if we cut the appropriation off now I think it will simply mean a chaos in the industrial world, and what the effect may be nobody can tell.

The amendment of the Senator from Tennessee as I understand is designed to carry out practically the relief act we have just passed. I think I can assure the Senator that as soon as the Department of Agriculture is ready to use the money in order to go forward with the relief program the money will be provided. I hardly believe that the amendment of the Senator from Tennessee should be put on this bill. We have been held in session a long time to-day in order to get through. I am not interested in getting through so as to have a vacation next week, in so far as I am individually concerned. I have to be here anyway and be at work just as much whether the Senate is in session or not. But I do not believe that we ought to put an amendment onto this bill. I think we ought to vote this money or refuse to vote it, one way or the other, without change. As I said, I think we are safe in assuming that the $45,000,000 under the drought-relief program will be provided by Congress just as rapidly as it can be used by the Department of Agriculture.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. JONES. I do.

Mr. McKELLAR. I think after all the haste to provide relief we ought to make it actually effective by voting the money, because we all know that nothing can really be done until the department has the money to lend to the farmers for making crops and for feeding stock. However, I am not going to insist upon a yea-and-nay vote. I am willing to let the Senator have the amendment voted down if he sees fit.

SEVERAL SENATORS. Vote!

Mr. CARAWAY. Mr. President, I want just a few moments of the time of the Senate. I hope that no one who is interested in cotton is deluding himself by believing that the money now proposed to be appropriated is for the cotton grower.

I regret very much, Mr. President, that personally, like several other Members of the Senate, I am precluded from quoting what Mr. Legge said before the Committee on Agriculture. Suffice it to say it is exactly opposite to what he said before the Committee on Appropriations when he was asking for the appropriation. If he wants to relieve those of us who know what he did say before the committee from the obligation of not revealing his testimony before the Committee on Agriculture, we will be very glad to tell the country what he said.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Utah?

Mr. CARAWAY. I yield.

Mr. KING. I may not have apprehended the statement of the Senator, but, as I interpreted it, Mr. Legge made certain statements before the committee in executive session which may not be revealed to the other Members of the Senate.

Mr. CARAWAY. That is true.

Mr. KING. How may we proceed intelligently to act with respect to matters concerning which he testified when we do not know what he said?

Mr. CARAWAY. I do not know, Mr. President. I regret that the situation is such as it is. I wanted to call the attention of the Senate to the fact that the prices of wheat sagged, and the board immediately rushed to peg the price of wheat. The stabilization corporation for cotton never was put in operation, Mr. President; and as for the statement that the board was buying spot cotton, I am curious to know on what fact it rests. I do not know what agency purchased it. It has been loaning money to the cooperatives, and they have been in turn loaning it to farmers; but the cooperatives have been compelled to take their losses if it fell upon cotton.

If they have been buying spot cottons, I do not know. I do know that Mr. Stone said at first the other day, when he was not in executive session, when we were talking about another matter, that they did not have the power to buy cotton and afterwards changed that opinion. Which he stands on now, I do not know.

I do know, as several Senators know, who were present when they talked about it, that it was admitted that they could put up the price of cotton, and it was a question whether it should be done or not. That I am not at liberty to discuss.

I did not vote for the farm bill, Mr. President. Therefore, the charge of the Senator from Maryland that we are guilty of this rests not upon us all. I knew that it was not a fulfillment of the promise that had been made the farmers in the platforms and in the campaign speeches of both the major parties in 1928. It was not carrying out the program of the Republican platform, nor was it carrying out the President's speech that he made as a candidate in 1928 in St. Louis, Mo. It was not keeping faith with the farmers, and I voted against it. My opinion as to whether or not it was a wise measure has not changed at all; but I am going to vote for the $150,000,000 appropriation because the Farm Board is in what it is pleased to call the midst of an experiment. I do not want it to have an alibi. I want to give a reason when all this money is gone. I think some members of it would be entirely happy if it could find some pretext now for not going forward with this experiment, and I do not want to afford it or any member of it that opportunity.

As to the member who went on the board for cotton, Mr. Williams, I think I might confess that his confirmation was opposed by most of the people from the cotton-growing section of the country. I had a bad guess. I defended his nomination. I did it in spite of the fact that when he was before the Committee on Agriculture and Forestry he showed absolutely no information at all about the subject. He had the language that is usually employed by somebody in making a loose talk about a theory of farm legislation and farm relief. It has ended there, Mr. President. He is a dismal failure as a representative of the cotton industry. That is the kindest thing that anybody has said about him, and I shall hasten to repeat it: He is a dismal failure as a representative of the cotton industry.

Since he who has pretended to speak for our industry has proved such a lamentable failure, nobody else on the board has taken any interest in cotton, and cotton has gone its way from 15 or 16 cents a pound down to 9 or 10 cents now. I would not say that the Farm Board aided it, but if it

were not for the inability to tell what some people said, I think I could establish the fact that that is one of the troubles of the Farm Board.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKELLAR].

The amendment was rejected.

Mr. BLAINE obtained the floor.

Mr. TYDINGS. Mr. President, I have an amendment at the desk.

The PRESIDENT pro tempore. The Senator from Wisconsin addressed the Chair first, and therefore is entitled to the floor.

Mr. BLAINE. Mr. President, in the First Annual Report of the Federal Farm Board for the year ended June 30, 1930, the Federal Farm Board states what it considers to be "the mandate of Congress" in this language:

> The intent of Congress in passing this legislation is expressed in the declaration of policy contained in section 1 (a) of the act. The broad objective, the goal to be achieved, is the placing of the industry of agriculture on a basis of economic equality with other industries.

Continuing to read from the report, the board states:

> Two general lines of action are indicated: (1) To promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and (2) to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products. Four methods to be employed in the execution of this policy are specifically set forth.

The board, in enumerating those policies in order, indicates the first method to be by minimizing speculation. That is the first method indicated by the board in the execution of this law in order to carry out the mandate of Congress which has been defined by the board.

Mr. President, on December 19 the junior Senator from Alabama [Mr. BLACK] offered an amendment which he intended to propose to this bill. The junior Senator from Alabama was unavoidably called away, and asked if I would offer this amendment in his behalf. I am carrying out the promise I made to the Senator; but I carry out that promise not as a mere formality but in accordance with my own judgment of what ought to be done in the premises—that is, to minimize speculation.

The first method set forth by the Federal Farm Board is designed to carry out the mandate of Congress; and this amendment which the junior Senator from Alabama drafted, and which I shall offer in his behalf, does not limit this $150,000,000 appropriation for the legitimate purposes designed by the law; but it does exactly what the Farm Board said is the object of the law, namely, first to minimize speculation. Therefore this amendment provides that—

> No part of the amount hereby appropriated shall be expended and no loan shall be made out of such amount for the purpose of dealing in futures or indulging in marginal transactions or any transaction whereby contracts are made for the purchase of agricultural commodities or food products thereof where no delivery of such commodity or food product is intended.

The amendment which the Senator from Alabama [Mr. BLACK] proposed to offer is directly in line with the declaration of the Federal Farm Board of its duty and its mandate, and that is to minimize speculation. Therefore, Mr. President, I offer the amendment on behalf of the junior Senator from Alabama.

The PRESIDENT pro tempore. The Senator from Wisconsin, on behalf of the Senator from Alabama [Mr. BLACK], offers an amendment, which will be stated by the clerk.

The CHIEF CLERK. It is proposed to insert, at the end of the bill, the following:

> No part of the amount hereby appropriated shall be expended, and no loan shall be made out of such amount for the purpose of dealing in futures or indulging in marginal transactions or any transaction whereby contracts are made for the purchase of agricultural commodities or food products thereof where no delivery of such commodity or food product is intended; and no cooperative association or stabilization corporation shall make any expenditure for any such purpose from the proceeds of any loan made out of such amount.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin on behalf of the Senator from Alabama.

Mr. JONES and Mr. HEFLIN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Washington.

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Alabama?

Mr. JONES. I yield to the Senator.

Mr. HEFLIN. Mr. President, the principle set out in the amendment of my colleague is the same one that was embodied in the Caraway bill, and one that a good many Senators here supported. I voted for it myself. I think it is a sound proposition, and hope it will be adopted.

Mr. JONES. Mr. President, I take it that this amendment is the plan of procedure referred to by Mr. Legge in this answer to a question by the Senator from Tennessee:

> Do you not think it would benefit the cotton market a great deal more to buy actual cotton and deal with the cotton itself rather than to buy in the future market?

I take it that that is the principle that this amendment is intended to carry out, not only with reference to cotton but with reference to wheat, and so on.

Here is Mr. Legge's answer:

> We started our operations wholly on that basis, Senator; but the facts are that this system of trading in the future markets is so thoroughly established that we found it more practicable. We do both. We buy actual spot cotton and also futures, whichever is cheapest. To illustrate that in wheat, these wheat futures which we have recently purchased on the stabilization account will result in wheat being delivered to-day at 2½ to 4 cents a bushel less than it cost to buy the wheat and to have carried it in the warehouse until the futures were delivered. The futures were cheaper in that way.

That is the expression of a practical man as to what should be done, and is also the expression of a practical man as to practical application that he thought was the right course to follow. I think that is sufficient to justify us in rejecting this amendment.

Furthermore, I am in favor of rejecting the amendment on this ground: I do not want to take any of the responsibility away from this board of administering this law. When we go to detailing what they shall do and what they shall not do, we furnish them excuses for failure to do this, that, or the other.

We have created this board. We have invested it with certain responsibilities. I think we want to leave those responsibilties with them, and not by detailing relieve them of responsibility. So I think this amendment should be defeated.

Mr. BLAINE. Mr. President, it is the Federal Farm Board itself which says that under the mandate of Congress its first duty was to minimize speculation. That is contained in the report for the year ending June 30, 1930. That is a deliberate declaration by the Federal Farm Board after considerable experience with the law and after full study and consideration of the law.

In my opinion, when the Federal Farm Board has given an interpretation to the law and declared that in its opinion that interpretation constitutes a mandate from Congress, and then the Federal Farm Board changes its rule of action and its procedure, is it not the duty of Congress to expressly provide, in language which can not be mistaken or misunderstood, the original mandate intended by the Congress?

Mr. President, in all good faith I ask the Senator why Congress should not inform the Federal Farm Board that they can administer this fund within the terms of the law as Congress and they originally understood the law to be? That was in the first instance to minimize speculation.

Mr. JONES. Mr. President, I do not know what the intention of Congress was. Of course, the board, as Mr. Legge said in this statement, started out on that basis. But that did not fix the law. They changed their opinion as to what was wise and what was practicable and what they ought to do. I do not think we ought to relieve them of any responsibility now, and I hope the amendment will be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. BLAINE] on behalf of the Senator from Alabama [Mr. BLACK].

The amendment was rejected.

Mr. TYDINGS. Mr. President, I have a short amendment which I will send to the desk and ask to have read. Then I would like to have about two minutes.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The CHIEF CLERK. On page 1, line 10, add the following proviso:

Provided, That no contracts to purchase any additional commodities authorized by the act of June 15, 1929, shall be made unless there be at the time money appropriated for the payment of said commodities.

Mr. TYDINGS. Mr. President, that would take care of the contention raised by the Senator from Connecticut. This $150,000,000 may be needed to carry on the contracts already made by the board, but certainly I think Congress should go on record now as telling the board it should not pledge the faith and credit of the United States unless the money is actually appropriated. That is all this amendment is intended to do.

Mr. JONES. I hope the amendment will be defeated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The bill is in the Senate and open to amendment. If there be no further amendments to be offered, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. TYDINGS. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. TYDINGS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Barkley	Gillett	King	Thomas, Idaho
Blaine	Glass	La Follette	Thomas, Okla.
Blease	Glenn	McGill	Townsend
Borah	Goff	McKellar	Trammell
Brookhart	Goldsborough	McNary	Tydings
Capper	Hale	Moses	Vandenberg
Caraway	Harris	Nye	Wagner
Carey	Hastings	Oddie	Walcott
Couzens	Hayden	Pittman	Walsh, Mont.
Davis	Heflin	Robinson, Ind.	Watson
Dill	Howell	Sheppard	Wheeler
Fess	Johnson	Shortridge	
Frazier	Jones	Smoot	
George	Kendrick	Steiwer	

The PRESIDENT pro tempore. Fifty-three Senators have answered to their names. A quorum is present.

The question is, Shall the bill pass?

Mr. TYDINGS. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

The bill was passed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma submitted amendments intended to be proposed by him to House bill 14675, the Interior Department appropriation bill, for the fiscal year 1932, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 49, line 11, add the following:

"Pawnee, Okla.: For school building to contain schoolrooms, auditorium, and gymnasium, $40,000; heating plant, $15,000; converting present school building into dormitories and equipment, $5,000; in all, $60,000: *Provided*, That said buildings shall be constructed of native stone in the open market."

On page 49, line 11, add the following:

"Fort Sill Indian School, Oklahoma: For school building embracing schoolrooms, auditorium, and gymnasium, $40,000; for machine shop and equipment, $10,000; for boys' dormitory, $30,000; for girls' dormitory, $30,000; for repair and improvement, $3,000; and for employees' building, $14,000; in all, $127,000: *Provided*, That after June 30, 1931, the Fort Sill Indian School shall be transferred from the jurisdiction of the superintendent of the Kiowa Agency to the Commissioner of Indian Affairs."

On page 52, line 16, after the word "school," strike out the comma and insert a colon, and strike out the remainder of the paragraph and add the following: "*And provided further*, That not to exceed $10,000 may be expended in the discretion of the Secretary of the Interior for the purpose of defraying the cost of operation of any special Indian public school which may be established for the education of Indian children in full-blood communities where there are not adequate white day schools available for their attendance."

On page 63, lines 16 and 17, strike out the following language: "Kiowa, Comanche, and Apache, $51,000"; and on page 60, in line 7, strike out the figures "$1,292,000," and insert instead "$1,343,000."

On page 66, strike out lines 3 to 25, inclusive, and lines 1, 2, and 3 on page 67, and in lieu thereof insert the following:

"There is hereby authorized to be expended, and to be by the Secretary of the Interior paid to E. J. Van Court, one of the attorneys for the Creek Nation of Indians, employed under the authority of the act of Congress approved May 24, 1924 (43 Stat. L. 139), the sum of $1,500, now standing to the credit of the Creek Nation in the Treasury of the United States: *Provided*, That before payment is made there be obtained the agreement or consent thereto of the Creek representative committee which was elected by the Creeks under the provisions of section 2 of the above-mentioned act of May 24, 1924: *And provided further*, That, subject to all prior assignments and agreements as to division of fees, the sum so allowed and paid shall be reimbursable to the credit of Creek funds out of any amount or amounts which may hereafter be decreed by the Court of Claims to be paid to the said E. J. Van Court, attorney, for his services and expenses rendered or incurred prior to the date of the approval of the act of May 24, 1924, above described, or out of his share of such fee or amount as may be awarded by the Court of Claims to the attorneys employed by the Creek Nation under said act of May 24, 1924."

On page 67 strike out lines 4 to 25, inclusive, and lines 1, 2, 3, and 4 on page 68, and insert in lieu thereof the following:

"There is hereby authorized to be expended and to be by the Secretary of the Interior paid to E. J. Van Court, one of the attorneys for the Seminole Nation of Indians, employed under the authority of the act of Congress approved May 20, 1924 (43 Stat. L. 133), the sum of $5,000, now standing to the credit of the Seminole Nation in the Treasury of the United States: *Provided*, That before payment is made there be obtained the agreement or consent thereto of the Seminole representative committee which was elected by the Seminoles under the provisions of section 2 of the above-mentioned act of May 20, 1924: *And provided further*, That, subject to all prior assignments and agreements as to division of fees, the sum so allowed and paid shall be reimbursable to the credit of Seminole funds out of any amount or amounts which may hereafter be decreed by the Court of Claims to be paid to the said E. J. Van Court, attorney, for his services and expenses rendered or incurred prior to the date of the approval of the act of May 20, 1924, above described, or out of his share of such fee or amount as may be awarded by the Court of Claims to the attorneys employed by the Seminole Nation under said act of May 20, 1924."

PRICES OF WHOLE-WHEAT FLOUR AND BROWN AND UNREFINED SUGARS

Mr. BROOKHART submitted the following resolution (S. Res. 384), which was referred to the Committee on Agriculture and Forestry:

Whereas the price of whole-wheat flour is now higher than white flour; and

Whereas the price of brown and unrefined sugars is now higher than white and refined sugars:

Resolved, That the Committee on Agriculture and Forestry of the Senate, or a duly authorized subcommittee thereof, is authorized and directed to investigate and report to the Senate the reasons why whole-wheat flour is higher in price than white flour and why brown and unrefined sugars are higher in price than white and refined sugars and particularly whether such conditions are a result of a combination in restraint of trade.

For the purposes of this resolution such committee or subcommittee is authorized to hold hearings and to sit and act at such times and places as it deems advisable; to employ experts and clerical, stenographic, and other assistance; to require by subpœna or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths and to take testimony and to make all necessary expenditures as it deems advisable.

The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of such committee, which shall not be in excess of $15,000, shall be paid from the contingent fund of the Senate.

HOLIDAY RECESS

Mr. WATSON. Mr. President, it is my purpose to move a recess of 10 minutes in order to enable us to message the

bill to the House. Pending that, I offer the concurrent resolution, which I will ask to have read.

The PRESIDENT pro tempore. The clerk will read.

The Chief Clerk. The Senator from Indiana offers the following resolution (S. Con. Res. 35):

Resolved by the Senate (the House of Representatives concurring), That when the two Houses of Congress adjourn on the legislative day of Saturday, December 20, 1930, they stand adjourned until 12 o'clock meridian, Monday, January 5, 1931.

The Senate, by unanimous consent, proceeded to consider the resolution.

The PRESIDENT pro tempore. The question is on agreeing to the resolution proposed by the Senator from Indiana.

The resolution was agreed to.

RECESS

Mr. WATSON. Now, I move that the Senate take a recess for 10 minutes.

The motion was agreed to; and (at 11 o'clock and 55 minutes p. m.) the Senate took a recess for 10 minutes, when it reassembled.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 35) providing that when the two Houses of Congress adjourn on the legislative day of Saturday, December 20, 1930, they stand adjourned until 12 o'clock meridian, Monday, January 5, 1931.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 15359) making an additional appropriation to carry out the provisions of the agricultural marketing act, approved June 15, 1929, and it was signed by the President pro tempore.

ADJOURNMENT

Mr. WATSON. In accordance with the concurrent resolution passed by the two Houses, I move that the Senate adjourn, the adjournment being until Monday, January 5.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Indiana.

The motion was agreed to; and (at 12 o'clock and 5 minutes a. m., Sunday) the Senate adjourned, the adjournment being, under the concurrent resolution of the two Houses, until Monday, January 5, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 20, 1930

SECRETARIES IN THE DIPLOMATIC SERVICE

Warren H. Kelchner, of Pennsylvania, now a Foreign Service officer, unclassified, and a Vice Consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

Shiras Morris, jr., of Connecticut, to be a secretary in the Diplomatic Service of the United States of America.

VICE CONSUL OF CAREER

Shiras Morris, jr., of Connecticut, to be a Vice Consul of career of the United States of America.

FOREIGN SERVICE OFFICER, UNCLASSIFIED

Shiras Morris, jr., of Connecticut, to be a Foreign Service officer, unclassified, of the United States of America.

UNITED STATES CIRCUIT JUDGES

Joseph C. Hutcheson, jr., of Texas, to be United States circuit judge, fifth circuit. (Additional position.)

Samuel H. Sibley, of Georgia, to be United States circuit judge, fifth circuit, to succeed Richard W. Walker, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 20, 1930

CONSUL GENERAL

Henry H. Balch to be consul general.

SECRETARY, DIPLOMATIC SERVICE

George D. Andrews, jr., to be secretary, Diplomatic Service.

MEMBER OF THE FEDERAL FARM LOAN BOARD

Floyd R. Harrison.

MEMBERS OF THE FEDERAL POWER COMMISSION

George Otis Smith.
Frank R. McNinch.
Marcel Garsaud.

UNITED STATES MARSHAL

Paul H. Creswell to be United States marshal, southern district of Ohio.

RECORDER OF DEEDS OF THE DISTRICT OF COLUMBIA

Jefferson S. Coage to be recorder of deeds of the District of Columbia.

REGISTERS OF THE LAND OFFICE

Richard P. Imes, sr., to be register of the land office, Billings, Mont.

Murdock D. Nicholson to be register of the land office, Great Falls, Mont.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

William V. Pratt to be Chief of Naval Operations, Department of the Navy, with the rank of admiral.

To be rear admirals

Clarence S. Kempff.	George T. Pettengill.
John Halligan, jr.	Edward B. Fenner.
William T. Tarrant.	

To be captains

Douglas L. Howard.	Walter F. Jacobs.
Arthur L. Bristol, jr.	Leo F. Welch.
Walter H. Lassing.	Turner F. Caldwell.
Ross S. Culp.	Earl R. Shipp.
Frank J. Fletcher.	Charles M. Austin.
John H. Towers.	Ferdinand L. Reichmuth.
Julian H. Collins.	Harvey Delano.
Milo F. Draemel.	Isaac C. Kidd.

To be commanders

Lyal A. Davidson.	Waldon L. Ainsworth.
Edwin J. Gillam.	Edward K. Lang.
Thomas Moran.	Charles A. Pownall.
Chester C. Jersey.	Roy C. Smith, jr.
Frank H. Kelley, jr.	James G. Ware.
James A. Logan.	Lawrence F. Reifsnider.
James T. Alexander.	Frederick G. Reinicke.
Francis A. La Roche.	Miles P. Refo, jr.
Francis P. Traynor.	Edgar M. Williams.
Howard B. Berry.	Howard A. Flanigan.
Henry B. Cecil.	Marc A. Mitscher.
Spencer S. Lewis.	Scott B. Macfarlane.

To be lieutenant commanders

Laurence E. Kelly.	George C. Cummings.
Moses B. Byington, jr.	Clifton A. F. Sprague.
Frank R. Dodge.	Clifton E. Denny.
Vincent R. Murphy.	Joseph J. Clark.
Charles W. Styer.	George C. Hawkins.
Thomas L. Sprague.	Rollin Van Alstine Failing.
Einar R. Johnson.	Albert M. Bledsoe.
Martin J. Connolly.	Harold Biesemeier.
Pal L. Meadows.	John J. Bartholdi.
Frederick S. Holmes.	Stanley D. Jupp.
Thomas B. Inglis.	Albert F. France, jr.
John J. Ballentine.	Walter S. Macaulay.
John R. Sullivan.	Staley H. Gambrill.
John D. Alvis.	David E. Cummins.

Julian D. Wilson.
Wilber M. Lockhart.
James L. Fisher.
Henry Y. McCown.
George William Johnson.
Jacob H. Jacobson.
Ion Pursell.
Gordon Rowe.
Henry E. Thornhill.

To be lieutenants

George T. Boldizsar.
Sherman R. Clark.
John E. Murphy.
James E. Baker.
Henry E. Eccles.
Harry B. Jarrett.
Worthington S. Bitler.
Alexander F. Junker.
Hugh W. Hadley.
Gerald U. Quinn.
Kenneth O. Ekelund.
Robert A. J. English.
Carlisle H. Thompson.
Karl A. Thieme.
Harold C. Patton.
William C. Cross.
John P. Bennington.
Frederick S. Hall.
Luther B. Stuart.
Ralph Earle, jr.
John L. Pratt.
Charles W. Crawford.
John P. W. Vest.
John Y. Dannenberg.
Albert K. Morehouse.
Thomas D. Wilson.
Joseph B. Dunn.
Kenmore M. McManes.
George L. Menocal.
Francis B. Johnson.
William B. Terrell.
Donald W. Gardner.
Hallock G. Davis.
Ralph H. Wishard.
Hugh W. Lindsay.
Alfred J. Homann.
Harold R. Stevens.
Walter W. Rockey.
Daniel W. Harrigan.
William P. Davis.
Francis J. Mee.
John G. Mercer.
Albert E. Chapman.
Daniel B. Candler, jr.
Harry R. Carson, jr.
Frank T. Ward, jr.
Robert W. Haase.
Harry Sanders.
Warren S. Parr.
John W. King, 3d.
Seldon B. Spangler.
Edward C. Loughead.
Frederick K. McElroy.
Joseph N. Wenger.
Thomas C. Evans.
Richard G. McCool.
Albert C. Murdaugh.
Merrall K. Kirk Patrick.
William V. O'Regan.
John G. Crommelin, jr.
William B. Ammon.
Roland N. Smoot.
Henry D. Wolleson.
Paul C. Wirtz.
Mellish M. Lindsay, jr.
Neil K. Dietrich.
Charles W. Humphreys.
Charles H. Momm.
John R. Johannesen.
McFarland W. Wood.
William H. von Dreele.
Alfred C. Olney, jr.
Frank V. Rigler.
Marshall M. Dana.
Stewart Lindsay.
William A. Riley.
Elliott B. Strauss.
James H. Thach, jr.
John M. Ocker.
Harold D. Krick.
Arleigh A. Burke.
Howard M. Kelly.
Edward S. Pearce.
Le Merton E. Crist, jr.
Elbert L. Fryberger.
Gordon J. Crosby.
Robert L. Dennison.
Roland M. Huebl.
Daniel F. J. Shea.
Stanhope C. Ring.
Paul F. Dugan.
Willard J. Suits.
Chauncey Moore.
Robert B. Higgins, jr.
Howard E. Orem.
Bates H. Johnston.
Eugene E. Elmore.
Clarke H. Lewis.
Lloyd D. Follmer.
Clifford M. Alvord.
Walter E. Gist.
Charles A. Harvard.
Thomas T. Beattie.
Charles O. Humphreys.
George R. Cooper.
Valvin R. Sinclair.
Harry Keeler, jr.
Augustus D. Clark.
Charles O. Comp.
Edward B. Arroyo.
Malcolm M. Gossett.
Jesse G. Coward.
Robert B. Rothwell.
Vernon Huber.
Peter J. Neimo.
Howard B. Hutchinson.
Halstead S. Covington.
Horace B. Butterfield.
John P. Cady.
Edwin E. Woods.
Edwin V. Raines.
Hubert W. Chanler.
Edward H. Pierce.
Raymond H. Tuttle.
Frank Akers.
William R. Terrell.
William B. Whaley, jr.
Robert C. Strong, jr.
Charles M. Furlow, jr.
Edward R. Durgin.
Frederick J. Eckhoff.
Leon J. Manees.
Robert A. Knapp.
Louis D. Libenow.
Rudolf L. Johnson.
Anthony R. Brady.
Arthur L. Pleasants, jr.
Beverly E. Carter.
Herbert E. Berger.
Ronald P. Kauffman.
James G. Sampson.
Harry St. J. Butler.
Delbert S. Cornwell.
Byron S. Anderson.
Thomas Aldred.
Malcolm W. Pemberton.
John L. Nestor.
Thomas H. Kehoe.
Richard C. Scherrer.

To be lieutenants (junior grade)

Frederick Mackle, jr.
John C. Eakens.
William A. Gerth.
Lloyd J. S. Aitkens.
John W. Bays.
Herbert C. Zitzewitz.
Lawrence R. Daspit.
Samuel H. Crittenden, jr.
Kenneth A. Knowles.
James H. Hogg.
Paul H. Ramsey.
Albert B. Scoles.
David W. Tolson.
Jack S. Holtwick, jr.
Eliot Olsen.
John C. Bernet.
Welton D. Rowley.
James V. Rigby.
James E. Cohn.
Richard H. Phillips.
Clifford S. Cooper.
William P. Chilton.
William M. Nation.
William H. Organ.
William T. McGarry.
Selman S. Bowling.
Cornelius S. Seabring.
William C. Bryson.
Ernest W. Lamons.
Cecil T. Caufield.
James A. Jordan.
George L. Heath.
John C. Zahm.
Harry R. Horney.
Daniel T. Eddy.
Jack Maginnis.
Edward H. Eckelmeyer, jr.
Brooke Schumm.
Richard W. Smith.
George K. Fraser.
Carl L. Steiner.
Hilfort C. Owen.
Kenton E. Price.
Thomas B. Klakring.
William Loveland.
Alexander M. Kowalzyk, jr.
John L. Ewing, jr.
Alden D. Schwarz.
James G. Holloway, jr.
Jesse Blackwell.
Rawson Bennett, 2d.
Thomas L. Mayo.
Howard W. Taylor.
James J. McKinstry.
Harold M. Briggs.
Perry K. Jeanes.
Joseph R. Hamley.
Joseph N. Murphy.
John C. Broach.
Charles M. Heberton.
David B. Overfield.
Alan B. Sutherland, jr.
Harold S. Harnly.
Ralph Hickox.
Robert H. Rice.
Harlan M. Thorpe.
Carl F. Stillman.
Benjamin E. Moore, jr.
Leonard C. Chamberlin.
Delbert F. Williamson.
Harold L. Tallman.
James A. Haley, jr.
Henry B. Stanley.
Halle C. Allan, jr.
Frederic A. Berry, jr.
Theodore C. Fauntz.
Loren A. Morris.
Harry J. Ward.
Roger F. Scott.
Herbert F. Eckberg.
John William Murphy.
William C. Specht.
Carl R. Midtlyng.
Lester J. Geiger.
Martin P. Hottel.
Christian H. Duborg.
James R. McCormick.
Otis C. Gregg.
Jack F. Bowling, jr.
William E. Ferrall.
Martin J. Lawrence.
Robert S. Quackenbush, jr.
Edmund T. Napier, jr.
Walter H. Price.
Martin R. Stone.
Daniel J. Weintraub.
Robert L. Densford.
Leland R. Lampman.
Jack P. Monroe.
Herbert L. Hoerner.
Edward K. Shanahan.
Charles P. Hill, jr.
Harry F. Bauer.
John F. Henkel.
Gill M. Richardson.
Leon J. Barbot.
Charles B. Beasley.
John T. Corwin.
Clayton R. Dudley.
Richard D. Zern.
John L. De Tar.
John A. Edwards.
Robert B. Alderman.
Thomas L. Greene.
William L. Knickerbocker.
James A. Prichard.
Tyrrell D. Jacobs.
James L. Shank.
Emmanuel T. Goyette.
Howard W. Gordon, jr.
Paul R. Drouilhet.
Creed C. Burlingame.
Arthur K. Ehle.
James W. Blanchard.
Arthur C. W. Baskin.
Robert M. Barnes.
Harold P. Richards.
Charles L. Melson.
Edwin W. Herron.
Thomas O. Oberrender, jr.
Ross R. Kellerman.
Harold M. Zemmer.
Theodore O. Dahl.
David C. White.
Lawrence M. Jensen.
Gerald R. Dyson.
Joe W. Boulware.
Loring O. Shook.
Theodore S. Dukeshire.
George D. Dickey.

William F. Royall.
Thomas B. Neblett.
Newlin Neuhauser.
Thomas M. Dykers.
Arthur G. Bruner.
Floyd C. Camp.
Mitchell D. Matthews.
Frank Bruner.
Eugene B. McKinney.
Thomas J. Flynn.
Alfred R. Truslow, jr.
Walter C. Winn.
Frank T. Corbin.
John Eldridge, jr.
Harry H. McIlhenny.
Albert R. Heckey.
Edwin B. Robinson.
Lucius H. Chappell, jr.
John E. Fitzgibbon.
Levi J. Knight, jr.
Joseph J. Carey.
Wayne R. Loud.
Louis T. Malone.
John R. Waterman.
Eugene F. McDaniel.
Louis H. Hunte.
Emmett J. Sullivan.
Charles K. Bergin.
Robert E. Dixon.
George L. Hansen.
Richard B. Levin.
Frank Turner.
Ulysses S. G. Sharp, jr.
Eugene E. Lindsey.
Philip A. Tague, jr.
Leo W. Nilon.
Robie E. Palmer.
Wayne T. Stukey.
James S. Willis.
Louis P. Fairlamb.
Robert Brodie, jr.
Frederic S. Habecker.
Robert F. Martin.
Farar B. C. Martin.
Paul L. High.
Gregory A. Ladd.
Hysell P. Cooper.
Howell J. Dyson.
Edward S. Addison.
Williard A. Saunders.
Blinn Van Mater.
Courtney Shands.
George Knuepfer.
Stanley E. Judson.
Herbert D. Riley.
Jules F. Schumacher.
Roland F. Pryce.
Eugene L. Lugibihl.
Edwin K. Ponvert.
Robert V. Hull.
Edward J. Drew.
Francis W. McCann.
Arthur D. Marks.
Julian D. Greer.
Albert E. Fitzwilliam.
William R. Caruthers.
Joseph B. Danhoff.
Joe Taylor.
Renwick S. Calderhead.
Philip H. Ross.
Chesley M. Hardison.
Thomas H. Massie.
Leonard B. Southerland.
Frank Virden.
William R. D. Nickelson, jr.
Myron W. Graybill.
Robert J. Foley.
Harry L. Hicks.
David B. Coleman.
Henry J. Armstrong, jr.
Charles L. Freeman.
William S. Harris.
Carl M. Dalton.
Robert T. Symes.
Claren E. Duke.
William H. Potts.
William H. Brockman, jr.
John G. McClaughry.
William R. Ignatius.
Arthur H. Taylor.
Charles J. Skelly.
William E. Kaitner.
Bernard M. Gates.
George A. Lewis.
Leonidas W. Pancoast.
Alan R. Montgomery.
William A. Deam.
Harry J. Hardwick.
Malen Durski.
Harry M. Denty.
Michael P. Russillo.
Granville A. Moore.
Gus B. Lofberg, jr.
Joseph B. Maher.
Andrew B. Buttery.
Arthur F. Anders.
Ethan W. Allen.
Donald G. Burt.
John S. Tracy.
George B. H. Stallings.
William D. Irvin.
Charles W. Parker.
Alex McL. Patterson.
David W. Shafer.
Claude L. Weigle.
Gordon L. Caswell.
Robert E. Braddy, jr.
Milton T. Dayton.
Julius F. Way.
Clarence E. Boyd.
James K. Averill.
Curtis A. Myers.
Albert B. Mayfield, jr.
George A. Lange.
Glenn W. Legwen, jr.
Glynn R. Donaho.
Alston Ramsay.
Paul D. Gross.
Oscar H. Dodson.
James P. Walker.
Edward R. Johnson.
John W. Chittenden.
Robert N. Downes.
Edward P. Southwick.
Gordon S. Everett.
John C. Atkeson.
Elmer G. Cooper.
James J. McRoberts.
John E. Clark.
Marion M. Byrd.
Ray A. Mitchell.
Harry R. Hummer, jr.
William A. Sutherland, jr.
Thomas C. Green.
John O. R. Coll.
John S. Thach.
Francis R. Jones.
Henry M. Marshall.
Robert A. Allen.
Charles E. Harrison.
Paul F. Johnston.
Charles J. Hardesty, jr.
William M. Gullett.
John H. Cross.
Oscar W. Pate, jr.
Richard E. Myers.
Wilton S. Heald.
Jimmie R. Simpson.
John J. Branson.
Calvin E. Wakeman.
George W. Willcox.
Joseph R. Rubins.
Frank D. Giambattista.
Thurston B. Clark.
Samuel H. Griffin, jr.
Albert S. Carter.
Elmer O. Davis.
William S. Maxwell.
Liles W. Creighton.
Bosquet N. Wev.

To be medical director

Frank X. Koltes.

To be passed assistant surgeons

James R. Fulton.
Ralph H. Hofler.
James C. Drybread.
Bernard S. Pupek.
Henry W. Patton.
David W. Lyon, jr.
Hugo O. G. Wagner.
Rufus A. Schneiders.
Charles G. McCormack.
Melvin D. Abbott.
Bruce V. Leamer.
LeRoy F. Farrell.
David O. Zearbaugh.

To be dental surgeon

John W. Grassl.

To be passed assistant dental surgeons

Daniel W. Ryan.
William R. Burns.

To be assistant dental surgeons

Charles F. Lynch.
Curtiss W. Schantz.
Francis V. Lydon.
Albert E. Howell.
Warren DeF. Sargeant.
Mack Meradith.

To be pay director

Joseph J. Cheatham.

To be paymasters

Albert R. Schofield.
Robert L. Mabon.
Samuel B. Deal, jr.
Ernest M. Cronin.
Raymond V. Adams.
James D. Boyle.

To be assistant paymasters

Noble W. Lowrie.
Cecil O. Hamrick.
Robley E. Brown.
James W. Boundy.
Willard C. Johnson.
Thomas L. Becknell, jr.
James H. Payne, jr.
Onnie P. Lattu.

To be chaplains

Colonel H. Mansfield.
Raymond B. Drinan.

To be naval constructors

Richard M. Watt, jr.
Robert K. Wells.
Mortimer E. Serat, jr.
Ralph E. McShane.
Charles D. Wheelock.
Oliver D. Colin, jr.
Paul E. Pihl.
William C. Powell.

To be chief boatswains

Paul Smith.
Raymond V. Svendsen.
Alvin E. Bernson.
Theron D. Carter.
Edward H. Wootan.
William C. Kasmire.
Wilbur A. Therien.
Edward J. McBride.
Francis E. Dowd.
Winfred B. Coats.
Herman B. Conrad.
Lester R. Kaldenbach.

To be chief electricians

Paul MacKay.
Emil A. Rensch.
Charles D. Koon.
Franklin M. Lewis.
George Trauth.
Samuel J. Schoenfeld.
William W. Townsend.
Charles C. Camara.

To be chief radio electricians

Luke W. DuFresne.
Chester S. Denton.
Raymond C. Taylor.

To be chief machinists

Thomas E. McDonald.
Harry Melker.
Robert G. Weedon.
Jasper M. Cook.
John Sogorka.
William C. Wilson.
Elmo C. Lake.
Frank M. Hendricks.
Walter E. Kelly.

To be chief pay clerks

Richard B. Murto, jr.
Walter A. Joyce.
Jack McCleery.
Ernest W. Bolton.
Theodore B. Purvis.
Walter M. Rotsten.
Cannie A. Anderson.
William Ward.
John W. Thomas.
Alexander J. Howard.
Leigh W. Haydon.

POSTMASTERS

ARKANSAS

John L. Callahan, Booneville.
E. Ben Millard, Horatio.
Georgia L. Stuart, Manila.

CALIFORNIA

Vernie E. Sherraden, Ludlow.
Joseph P. Berry, Santa Rosa.
Chester D. Mathews, Susanville.

FLORIDA

Edward S. French, Belleview.
James C. Young, Dunnellon.
Rhea W. Pherigo, Kissimmee.
Burdett Loomis, jr., Pierce.
Ida V. Dalton, Vernon.
Add Joyce, Cedar Keys.
Lois M. Sheffield, Foley.
Irma H. Smith, Hastings.
Gillian A. Sandifer, Lake Helen.
William W. Rees, Tavares.

GEORGIA

Sherrill T. Lassiter, Cornelia.

HAWAII

R. T. Christoffersen, Kahuku.

ILLINOIS

Arvil C. Allen, Elkhart.
John F. Gilman, Farmersville.

INDIANA

Marvin E. Elkins, Morgantown.
Taylor H. Johnson, Plainfield.
Clyde H. Fee, Waterloo.

IOWA

Carl G. Anderson, Arthur.
Carl E. Meek, Bonaparte.
Della Douthit, Braddyville.
Arthur H. Ricke, Breda.
Arden W. Keeney, Carlisle.
Frank K. Hahn, Cedar Rapids.
H. Asa Jones, Charter Oak.
Arthur Ingraham, Conesville.
Gilbert R. West, Corydon.
George C. Lloyd, Dallas Center.
William W. Andrew, Dexter.
Rhea Sowers, Henderson.
George W. Kennedy, Montrose.
Charles S. Walling, Oskaloosa.
Homer A. Roth, Ottumwa.
Frank M. Hood, Sergeant Bluff.
Anna M. Beck, Solon.
Harry McCall, Washington.
Cecil E. Wherry, Wyoming.
David L. Rundberg, Yale.
Lyman H. Henry, Charles City.
William T. Stockton, Perry.
Frank J. Shearer, Prairie City.
Charles P. Ell, Rudd.

KANSAS

Jacob L. Ritter, Bronson.
Judson M. Cramer, Gardner.
Lot S. Hadley, Glen Elder.
Charles O. Bollinger, Iola.
Gilbert E. Goodson, La Cygne.
Louella M. Holmes, Mound City.
Walter R. Dysart, Parker.
Belford A. Likes, Pomona.
Elmer Alban, Westphalia.

KENTUCKY

Elbert L. Peairson, Auburn.
Clarence Neighbors, Bowling Green.
Hazel O'Neill, Drakesboro.
Lillian G. Hall, Eddyville.
Ed J. Salm, Hawesville.
Melvin C. Bray, Hindman.
Robert L. Jones, Morganfield.
Edna O. Jones, Mortons Gap.
Myrtle Latta, Water Valley.

LOUISIANA

Marcie M. Rogers, Baldwin.
Stephen R. Jackson, jr., Cheneyville.
David Dunn, Columbia.
Ethel I. Montgomery, Delhi.
Samuel E. Rankin, Haynesville.
Kate P. McDonnell, Pelican.
Jesse R. Ramsey, Pleasant Hill.
Frank M. Caldwell, Robeline.
William W. Addison, Springhill.
Beckie D. Bradford, Tullos.
William L. Galloway, Arcadia.
Joseph P. Lucas, Dodson.

MAINE

Ferdinand E. Stevens, Auburn.
John C. Arnold, Augusta.
Bert H. Young, Bar Harbor.
Cleo A. Russell, Bethel.
Chandler M. Wilson, Bucksport.
Lloyd A. Harmon, Clinton.
Ray Winchenpaw, Friendship.
Frank E. Hoyt, Gorham.
Omar J. Lombard, Guilford.
Dana C. Skillin, Hallowell.
George W. Hopkins, Howland.
Zaidee P. Campbell, Jackman.
Ellsworth W. Sawyer, Kezar Falls.
Albert A. Weatherbee, Lincoln.
Luther C. Spiller, Mechanic Falls.
Leonard O. Meader, North Berwick.
Velorus T. Shaw, Prouts Neck.
Harry N. Ferguson, Sanford.
Joe P. Davis, South Berwick.
Thomas R. McPhail, Thomaston.
William C. Flint, Waldoboro.
Ray C. Gary, Caribou.
Harold N. Libby, Richmond.

MARYLAND

LeRoy T. Mankin, Fort George G. Meade.
Arthur S. Calhoun, Parkton.
William H. Condiff, Solomons.
Leslie W. Gaver, Middletown.
Ernest G. Willard, Poolesville.
Thomas H. Lytle, White Hall.

MASSACHUSETTS

Grace G. Kempton, Farnumsville.
William P. Orr, South Attleboro.

MICHIGAN

Walter E. Banyon, Benton Harbor.
George H. Batchelor, Buchanan.
George A. Mason, Cedar.
Euretta B. Nelson, Climax.
Charles L. Bean, Conklin.
Minnie McGuineas, Elberta.
Christine Anderson, Holton.
Neil W. Roe, Lake Odessa.
Milan A. Smith, Morenci.
Charles T. Filmore, Quincy.
Rush S. Knepp, Schoolcraft.
Fred E. Pomeraning, Trenton.

MINNESOTA

Stanley E. Nelson, Adrian.
Olney A. Solberg, Brooten.
Michael Hollaren, Ellsworth.
Andrew Bromstad, Milan.
Vivy Johnson, Richville.

MISSOURI

Emmet L. Gaffney, Craig.
Joseph W. Steinmeier, Puxico.
Albert C. Yoder, Rosendale.
Addie Erwin, Thayer.
Paul L. Horner, Caruthersville.
William L. Moorhead, Hopkins.

NEBRASKA

Minnie C. Burch, Bellwood.
Anna C. Ord, Burchard.
Max R. Herrington, Millard.

NEW HAMPSHIRE

Carlton E. Sparhawk, Walpo'e.

NEW JERSEY

Clara C. Hurry, Atco.
J. Ernest Spencer, Beachhaven.
Forman R. Thompson, Matawan.
William D. Dolbeer, Millburn.
Frank J. Bock, Newark.
Lillie Conover, Northfield.
J. Reeves Hildreth, Ocean City.
William S. Dey, South Amboy.
Charles H. Updike, Trenton.

NEW YORK

Ross K. Pierce, Dolgeville.
Mary A. Davies, Holland Patent.
Harry C. Teich, Leeds.
Hattie M. Pepper, Middle Granville.
Clifford E. Brown, Minoa.
Dennis Dillon, Raquette Lake.
Helena Swackhamer, Schenevus.
Fred Tears, Starlake.
Seward Latham, Central Bridge.
Joseph W. Mullins, Fallsburgh.
Charles A. Gaylord, North Tonawanda.
Clarence H. Floyd, Port Jefferson.
Fred Hahn, Tonawanda.

NORTH CAROLINA

Jonah F. Deaton, Aberdeen.
Jack M. Sentelle, Clyde.
Luadan V. Rhyne, Dallas.
Halbert A. Thompson, Farimont.
George T. Whitaker, Franklinton.
Cadmus P. Wright, Henderson.
James F. Setzer, Hickory.
James L. Davenport, Jamesville.
Herman A. Merrell, Leicester.
Christopher H. Mattocks, Maysville.
Mary E. Ross, New London.
John L. Vest, Rosemary.
Ernest B. Satterwhite, Sanatorium.
Lula M. Choate, Sparta.
Charles A. Bland, Wadesboro.
Wiley B. Knowles, Wallace.
Fred T. Tucker, Wilmington.

NORTH DAKOTA

Anfin Qualey, Aneta.

OHIO

Thomas E. Kidd, Leipsic.
Elsie M. Smith, Sharonville.

OKLAHOMA

John W. Rackley, Cherokee.

SOUTH CAROLINA

William R. Rozier, Bethune.
Conway Dial, Cross Hill.
Adam C. Dayson, Johns Island.
George E. Munn, Lake City.
Deans Crumpler, Latta.
George S. McCravey, Liberty.
Junius S. Bagnal, Manning.
John G. Fowler, New Brookland.
William D. Sutton, Pageland.
Crayton C. Crenshaw, Pendleton.
Mary E. Morris, Pickens.
Ira S. Holden, Walhalla.
James M. Graham, Alcolu.
Edward H. Jennings, Charleston.
Esly O. Greene, Chesterfield.
Eva H. Groce, Lyman.
Robert L. Henderson, North Charleston.
Mattie H. Graham, Pomaria.
Maebelle Orvin, St. Stephen.

TEXAS

Willis A. Wilson, Ackerly.
John C. Arnett, Anton.
Robert M. Hatcher, Archer City.
Mrs. Leo W. Cox, Buda.
Walter E. Holloway, Detroit.
Robert C. Carmack, Farmersville.
Kipling E. Yates, Forney.
Henry F. Priesmeyer, Garwood.
Will K. Davis, Gonzales.
Earl D. Tracy, Junction.
John C. Sanders, McDade.
Lora Barber, Miami.
Augustus S. Hightower, Millsap.
Loyal N. Tyer, Mont Belvieu.
Edward S. Howe, Neches.
Crecy Longmire, Newgulf.
Joe H. Victery, New Willard.
Jesse R. Thigpen, Omaha.
Joseph R. Gilliland, Paradise.
Manda Fields, Ponta.
Sidney T. Bogan, Quitaque.
Duma McDonald, Santo.
A. Delta Sanders, Scurry.
Art E. Frieze, Silverton.
Stella W. Schultze, Talco.
Joseph P. Williams, Van.
Julia E. Fones, Village Mills.
Mattie P. Grieve, Walnut Springs.
James R. Oliver, Wells.
Hugh B. Edens, Big Lake.
Katherine A. Lace, Burleson.
Lou Gammill, Calvert.
Robert L. Jones, Celeste.
John W. Robbins, Clyde.
Hoyt E. Hager, Mercedes.
Henry C. Arnold, Orange.
Earl Cassity, Pilot Point.
Pearl M. Parsons, Port Neches.
Joe R. Taylor, Rhome.

VERMONT

Margaret P. Cullinan, Arlington.
Mary R. Walker, Hartland.

VIRGINIA

Thelma A. Best, Bluemont.
Thomas J. Wilson, Clifton Forge.
Harry S. Shuey, Craigsville.
John W. Patterson, Greenwood.
W. Ingles Harnsberger, Grottoes.
Charles W. Fuller, Honaker.
Phillip L. Harrington, Independence.
Missouri S. Harmon, Melfa.
Fránk H. Dame, Newcastle.
Walter C. Franklin, Pamplin.
Preston H. Edwards, Sweet Briar.
Robert W. Harman, Tazewell.
Charlie R. Fisher, Wytheville.

WASHINGTON

Alvin E. Scott, Benton City.
Elizabeth Grant, Delrio.
Lettie M. Madden, Holcomb.
Phillip Abbey, Hoodsport.
Roy F. Chatlien, Monitor.
Charles J. Fredericks, Moxee City.
Paul H. Sceva, Paradise Inn.
Frank Morris, Bordeaux.

WISCONSIN

Dennis D. Shea, Arena.
Joseph Wahl, Dallas.
Joseph W. Jacobson, Dane.
Laura K. Duerrwaechter, Germantown.
Earl E. Murdock, Gresham.
Stephen M. Peeters, Little Chute.
James E. Brazeau, Nekoosa.
Albon Parks, Pickett.
Leonard A. Krueger, Dalton.
Clyde C. Ellis, Elkhart Lake.

WYOMING

Arthur A. Pugh, Burns.
Katherine L. Tewell, McFadden.

HOUSE OF REPRESENTATIVES

SATURDAY, DECEMBER 20, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we praise Thee for Him who has broken the silence of eternity and has made Thy face glorious. Beneath the cover of frail flesh throbbed the power that built the world, for in the manger cradle was the might of omnipotence. O God, may the whole earth harken unto His appealing words of love and peace. In His presence loathsome lust sorrows, pride stalks along with bowed head, falsehood lays aside its mask, mammon mourns a slave slipping from his shining fetters, and the sacrificial cross never harmonizes with the dripping sword. O let His light steal across our entire country, and may our fellow men walk in newness of light, conscious of a benevolence, of a brotherly love, and of a strength that are truly heavenly. O come, Mary's Holy Child, and deliver man from his starved heart and pour Thy blessing upon his restless, dissatisfied soul before he loses the very essence and the end of life. Abide Thou with our President, our Speaker, the Members of this Chamber, and give them all, and may they enjoy, good health and happiness. In the name of the world's Savior. Amen.

The Journal of the proceedings of Friday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

ADMINISTRATION OF DROUGHT-RELIEF LEGISLATION

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to address the house for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, on yesterday I took the liberty of suggesting that it might be of advantage to the membership of the House to have some interpretation of the method by which the Department of Agriculture would administer the drought-relief fund in the form of loans.

I have received from Doctor Warburton, of the Department of Agriculture, a letter setting out in considerable detail the method that will be used in that connection, and for the information of the Members I ask unanimous consent that it may be incorporated in the RECORD, together with the accompanying documents.

Mr. JONES of Texas. If the gentleman will permit, I introduced a similar letter in the RECORD yesterday.

Mr. McDUFFIE. The gentleman, however, did not put in the various forms?

Mr. JONES of Texas. No; I did not.

Mr. GARNER. It will do no harm if it goes in to-day's RECORD and to-morrow's RECORD and the next day's RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. GARNER. Reserving the right to object, may I ask the gentleman from Alabama if he knows whether the report in the morning paper is correct, in which it is stated that the department is now prepared to administer this loan if the bill should be signed to-day? In that connection I hope the gentleman from Indiana [Mr. WOOD] will take note of the fact that public declaration has been made by the Department of Agriculture, through the press of the country, that they are now prepared to administer this law, and I would ask the gentleman whether or not he is going to furnish the money?

Mr. BANKHEAD. Is the gentleman from Texas addressing his inquiry to me?

Mr. GARNER. Well, to both of the gentlemen.

Mr. BANKHEAD. I am not in a position to state the facts, but I would be glad to have the gentleman from Indiana [Mr. WOOD] respond to the gentleman's inquiry.

Mr. WOOD. For the information of the gentleman from Texas [Mr. GARNER] and others, let me state that the information which we have from the Department of Agriculture is to the effect that they can not put out any of this money prior to the 1st day of January; that it will require all of the intervening time for the purpose of getting up their forms and setting up the machinery for the administration of this law. They called up yesterday to ascertain whether or not, immediately after the reconvening of Congress after the holidays, an appropriation could then be had for the purpose of loaning this money. I informed them, and I am sure the House will back me up in it, that hearings will be conducted upon this measure during the recess; that immediately after the reconvening of Congress after the holidays a special resolution will be introduced asking for the appropriation.

Mr. GARNER. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. GARNER. The gentleman from Indiana speaks about "them." Would the gentleman put the name of this man in the RECORD so that the responsibility may be fixed for the man who made that statement?

Mr. WOOD. Certainly. I do not recall the gentleman's name, but he is the one who has the administration of this and similar appropriations.

Mr. GARNER. Is it Doctor Warburton?

Mr. WOOD. That is the man.

Mr. GARNER. Doctor Warburton informs the gentleman that he could not use any of this money prior to the reconvening of Congress after the holidays?

Mr. WOOD. That is what he informed us yesterday.

Mr. GARNER. And the gentleman expects in the meantime to conduct hearings so that we will be prepared to make the appropriation immediately after the reconvening of Congress after the holidays?

Mr. WOOD. That is what we expect to do. That is what we will do.

Mr. JONES of Texas. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. JONES of Texas. Does not the gentleman think it would be worth something to him, even if he were not going to use the money before the holidays, to know what amount would be available, and be certain that there would be that amount available so that he might go ahead with his plans?

Mr. WOOD. Well, all the money they can use will be made available just as soon as they request it. I assure the gentleman of that.

Mr. JONES of Texas. There is no doubt about that?

Mr. WOOD. No.

Mr. TILSON. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. TILSON. They know now how much money will be available. It is the amount authorized. It is simply a question of how much they need now and how soon they will need it.

Mr. JONES of Texas. There is not any available now.

Mr. TILSON. Some of it will soon be available. The authorization has been made and the Committee on Appropriations is ready to make the appropriation just as soon as a request is made.

Mr. JONES of Texas. Of course, only the authorization has been passed. There is no money available yet. I was trying to receive assurance of that fact.

Mr. WOOD. I wish to make this further observation: I think it is better for all concerned that no appropriation be made until the time it can be used. Suppose $45,000,000 is appropriated to-day for this purpose. Every Congressman and the Department of Agriculture would be deluged with applications and deluged with all sorts of inquiries with reference to whether or not loans can be made, and there are a thousand different inquiries that may come to all of us. If the public knows the attitude of the Congress and of the Department of Agriculture with reference to when this will be available, it will save a lot of time to the department, and it will save a great deal of grief and woe to all of us.

Mr. ASWELL. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. ASWELL. Can the gentleman inform the House when the hearings will begin?

Mr. WOOD. They will be heard next week.

Mr. ASWELL. Beginning on what day?

Mr. WOOD. Well, I can not say about that. We are now conducting hearings on the general deficiency bill. My judgment is that we will complete those hearings by Tuesday and this will follow immediately.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. BANKHEAD]?

There was no objection.

The matter referred to is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
DIRECTOR OF EXTENSION WORK,
Washington, D. C., December 19, 1930.

Hon. WILLIAM B. BANKHEAD,
House of Representatives, Washington, D. C.

DEAR MR. BANKHEAD: In response to your telephone request for information as to how the Department of Agriculture proposes to administer the appropriation for loans to farmers in drought and storm stricken areas, authorized in Senate Joint Resolution 211, and passed by the House on December 18, it is expected that if and when appropriation is provided to carry out this authorization, procedure in making loans will be similar to that followed in similar authorizations in previous years. This procedure has been as follows:

Regulations setting forth the general conditions governing the making of the loans are issued by the Secretary of Agriculture. These regulations specify, among other things, the maximum amount per acre which will be loaned for seed and fertilizer for various crops, and the maximum amount that will be loaned to any individual. The regulations also specify the date on which the loans will be payable. Such items as the maximum rate per acre, the amount of the individual loans, and the due date, may vary in different sections of the country according to the normal farm practice and the date on which crops usually are marketed. A copy of the regulations under which loans were made in the Southeastern States in 1930 is inclosed. The department prepares and distributes application forms, note and mortgage forms, and other papers necessary to use in handling loan applications. The mortgage forms used in each State accord with the provisions of the laws of that State governing crop mortgages. In those States where the law provides that a chattel mortgage can be taken only on a crop that is actually in existence, the applicant for the loan is requested to sign an agreement that he will at the proper time give the department a satisfactory mortgage on his growing crops. Little difficulty has been experienced in previous years in obtaining mortgages after the crop was planted in States where legal mortgages can not be given prior to planting.

Full information as to how the loans may be obtained and the conditions under which they are made is sent to the county agricultural agent in each county, or to some other designated representative of the department if no county agent is employed. The agent is asked to make this information generally available to the farmers in his county through local newspapers, discussions at meetings, and in other ways. He is sent a supply of the application blanks and other forms, which he is asked to distribute to banks and other convenient places for the use of farmers.

The county agricultural agent in each county is requested to suggest to the department the names of several prominent persons in his county with wide acquaintance and good judgment, who are requested by the department to serve on a county committee to make recommendations with reference to each loan application. Provision for the report of the report of the county committee is included in the application form. The county committee is usually made up of a leading banker and two prominent farmers. If the county is a large one the extension agent and the county committee are requested to set up community committees, which report on individual applications on the basis of which reports the county committee may make its recommendation to the department. In many cases the county drought-relief committees already set up will be used as advisory committees. The county extension agent does not serve as a member of the county committee nor in any way take responsibility for determining who is to receive loans. Final responsibility for determination to the granting of loans rests with the field office of the department established for that purpose. In the Southeastern States in 1929 and 1930 this office was established at Columbia, S. C. Location of field offices for 1931 has not yet been definitely determined.

On completion of the application and other necessary forms by the applicant he turns them over to the county committee, which makes its recommendation and forwards all papers to the field office of the department. Upon receipt at this field office the application is examined to see that the necessary papers are complete and in proper form, and if corrections or additional information is required the applicant is promptly notified. If the papers are in proper form, the application is then examined to determine whether or not the loan can be approved; and if so, in what amount. The application shows, among other things, the amount the applicant requests, the purpose for which he proposes to use the loan, the acreage of crops he expects to plant, his acreage and yield of crops for the previous two years, the livestock and equipment he owns, and the amount of his indebtedness. Loans are made only to those who do not have a basis of credit on which loans can be obtained from other sources and to those whose applications show that their crops for the previous year were destroyed or seriously damaged by drought or storms.

If the application is approved, check is drawn to the applicant by the disbursing agent detailed to the field office. This check is sent, together with the original copy of the crop mortgage, to the representative of the department in the county in which the borrower lives. This representative examines the county records and determines whether or not liens are on file prior to that given to the department. If no such liens are on record, he files the mortgage given the department and releases the check to the borrower. If, however, other liens are on file which have not been waived to the extent of the department claim, the borrower is requested to obtain such waivers before the check is released to him.

It is expected that in 1931 the initial payment will be for only a portion of the loan, further advances to be made in installments as needed.

The foregoing covers the more important points in the procedure in making seed, feed, and fertilizer loans. With centrally located field offices and competent personnel, we have usually been able to handle applications for loans within 24 hours to 48 hours after they were received, unless it is necessary to return the papers for correction or completion. On applications that come to us in proper form, the borrower usually receives his check in less than a week from the time he makes application. The department, of course, reserves the right to reject applications or to make loans in smaller amounts than the applicants request.

In addition to the copy of the regulations issued in 1930, I am inclosing copy of a circular containing a number of questions and answers regarding seed-loan procedure. A similar pamphlet has been issued each year for general distribution and has been very useful in informing the farmers how to obtain loans. We have such a circular in preparation now, which we expect to issue as soon as final procedure is determined.

Very truly yours,

C. W. WARBURTON,
Director of Extension Work.

UNITED STATES DEPARTMENT OF AGRICULTURE, FARMERS' SEED LOAN OFFICE, COLUMBIA, S. C.

WASHINGTON, D. C., *March 15, 1930.*

REGULATIONS RELATIVE TO SEED, FEED, AND FERTILIZER LOANS IN 1930 IN STORM AND FLOOD STRICKEN AREAS OF ALABAMA, FLORIDA, GEORGIA, NORTH CAROLINA, SOUTH CAROLINA, AND VIRGINIA

This circular defines the procedure relative to granting loans for the purchase of seed for spring planting in 1930, feed for work stock, and fertilizer to farmers in storm and flood stricken areas of Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia out of the appropriation for the purchase of seed, feed, and fertilizer authorized under the joint resolution of Congress approved March 3, 1930, entitled, "Joint resolution for the relief of farmers in the storm, flood, and/or drought stricken areas of Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, Ohio, Oklahoma, Indiana, Illinois, Minnesota, North Dakota, Montana, New Mexico, and Missouri." The text of this resolution is as follows:

"That the Secretary of Agriculture is hereby authorized, for the crop of 1930, to make advances or loans to farmers in the storm, flood, and/or drought stricken areas of Alabama, Florida, Georgia,

North Carolina, South Carolina, Virginia, Ohio, Oklahoma, Indiana, Illinois, Minnesota, North Dakota, Montana, New Mexico, and Missouri, where he shall find that an emergency for such assistance exists, for the purchase of seed of suitable crops, feed for work stock, and fertilizer, and, when necessary, to procure such seed, feed, and fertilizer and sell the same to such farmers: *Provided*, That in New Mexico advances or loans may be made to individuals or groups of farmers for the purchase of materials and the employment of labor for the replacement of damaged or destroyed irrigation ditches, where such replacement is deemed necessary for crop production. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed and fertilizer thus obtained by him for crop production. A first lien on all crops growing or to be planted and grown during the year 1930 shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security for such loan, advance, or sale. All such advances, loans, and sales shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture may determine. For carrying out the purposes of this resolution, including all expenses and charges incurred in so doing, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $7,000,000.

"SEC. 2. Any person who shall knowingly make any material false representation for the purpose of obtaining an advance, loan, or sale, or in assisting in obtaining such loan, advance, or sale under this resolution shall, upon conviction thereof, be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both."

Loans for the purchase of seed for spring planting in 1930, feed for work stock, and fertilizer may be made to farmers in areas in Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia determined by the Department of Agriculture to have suffered crop failures or severe crop losses from storms or floods in 1929, and may be made to such individuals within such areas as are found by the Department of Agriculture to have acreage fit for seeding, who by reason of such crop failure or crop losses do not have seed, feed, and/or fertilizer, and who are without money or commercial basis of credit for its purchase.

No loan for seed, feed, and fertilizer in 1930 will be made to any applicant in excess of $2,000. The total amount of loans to the tenants of any one landowner shall not exceed the aggregate sum of $2,000. Maximum amounts per acre in which loans will be made for seed and fertilizer on crops planted or to be planted are as follows: Cotton, $8; tobacco, $15; truck crops, including potatoes and sweetpotatoes, $20; corn and other crops, $4. The right is reserved to make loans at rates lower than the foregoing maximum allowances. Applicants must agree to use seed and methods approved by the Department of Agriculture, through its local representatives. No loan will be made to any applicant who has a means of livelihood other than farming, nor to a minor.

Application for seed, feed, and fertilizer loans for 1930 shall be made on the official form of application prescribed and furnished by the Secretary of Agriculture, and shall describe the particular acreage to be sown, or on which the fertilizer is to be applied. Such application shall be investigated by the Department of Agriculture through such agencies as it may determine, and the approval or disapproval of the application certified by its authorized representative. Approval may be for a less amount than that applied for.

The amount approved for loan pursuant to these regulations will be paid by a temporary special disbursing agent to the applicant, or on his written order, upon receipt and approval by the designated representative of the United States Department of Agriculture of the following documents:

(*a*) Application on the form previously specified in this circular, signed by the applicant and verified by the designated representatives of the department in the county in which the applicant is located.

(*b*) Promissory notes, fully executed by the applicant, for the amount of the loan, payable to the United States of America, on or before October 1, 1930, with interest at the rate of 5 per cent per annum, in the form prescribed and furnished by the Secretary of Agriculture. Interest to October 1 will be deducted in advance from the amount loaned.

(c) Chattel mortgages in Florida, Georgia, South Carolina, and Alabama, and crop liens in North Carolina and Virginia, upon the crop growing or to be grown on the land described in the application in 1930, in favor of the United States of America, duly executed by the applicant in such manner as to entitle it to filing and securing payment of the above-mentioned note, and in the case of chattel mortgages containing a provision authorizing the United States Department of Agriculture, through a representative designated by the Secretary of Agriculture, in the event the applicant fails to protect and at the proper time to harvest the crop mortgaged, to enter upon the premises and harvest the same, and to sell the crop to satisfy the lien of said mortgage and expenses incurred thereunder from the proceeds of the crop. Chattel mortgages and/or crop liens shall be executed on forms supplied by the Department of Agriculture, and shall be filed in the proper office under the State laws applicable. One of the three copies of chattel mortgage and/or crop lien required should be retained by the applicant. If the applicant for a loan is a tenant, or is farming land under so-called crop contract, or has given a prior mortgage on his 1930 crop, he must secure the waivers of the actual owners of the land, his landlord, and/or all prior mortgage holders in the space provided on the mortgage form for the purpose. If the applicant is the owner of the land and farms it with tenants or share croppers, waivers of such tenants or share croppers must be secured in the space provided on the mortgage form for the purpose. If the applicant leases the land from another and in turn operates it with tenants or share croppers, waivers of both the actual owner of the leased land (unless the rental of said land has been paid) and of said tenants or share croppers must be secured in the space provided on the mortgage form or on separate waiver form. In all cases where waivers are required, the person waiving must certify that at the time of signing such waiver he is in actual possession and owner of any rent note, mortgage, land sales contract, or other paper and must enter into an agreement on the special form provided for the purpose (Form No. 7) that he will not assign, transfer, hypothecate, or sell such security without first having secured the written consent of the duly authorized representative of the United States.

(d) By a voucher form supplied by the Department of Agriculture and signed by the applicant.

The right is reserved to make payments to borrowers in installments and to require borrowers to show how the initial installment has been expended before further payments are made.

Applications for loans under these regulations must be mailed in time to be received by the designated representative of the Department of Agriculture at the Farmers' Seed Loan Office, Columbia, S. C., not later than May 31, 1930.

The right is reserved to make further supplemental or amendatory regulations relative to loans for the purchase of seed, feed, and fertilizer in Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia in 1930 from time to time, or to withdraw these regulations at any time.

ARTHUR M. HYDE,
Secretary of Agriculture.

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARMERS' SEED LOAN OFFICE,
Columbia, S. C.

HOW CAN I GET A SEED, FEED, AND FERTILIZER LOAN?

In the following paragraphs the principal questions which are likely to be asked by farmers in the Southeastern States who wish to get a loan from the Department of Agriculture for the purchase of seed, feed, and/or fertilizer are answered briefly. No attempt is made to give full details of the general regulations, which are contained in a circular (S. E. Form No. 1) issued by the Secretary of Agriculture under date of March 14, 1930.

1. WHAT IS THE AUTHORITY FOR THESE LOANS?

The Secretary of Agriculture is authorized to make loans to farmers in storm and flood stricken areas in Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia for the purchase of seed of suitable crops, feed for work stock, and fertilizer where he shall find that special need for such assistance exists and upon such terms and subject to such regulations as he prescribes, including an agreement by each farmer to use the seed and fertilizer thus obtained by him for crop production. This authority is provided in a joint resolution of Congress, approved March 3, 1930.

2. WHERE CAN I MAKE APPLICATION FOR A LOAN?

The field office for the handling of the applications for seed and fertilizer loans for storm and flood stricken areas in Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia has been established at Columbia, S. C. Application blanks and other necessary forms have been sent to county committees, county agricultural agents, or others designated as representatives, and will be distributed by them to banks and other convenient places for the use of applicants.

3. WHAT IS THE SECURITY REQUIRED?

Each individual who obtains a loan for seed, feed, and/or fertilizer in 1930 must give an absolute first lien on crops growing or to be grown by him in 1930, in such form as to entitle it to filing in the county in which he resides.

4. HOW LARGE A LOAN CAN I OBTAIN?

The largest amount which can be loaned to an individual is $2,000. The amount loaned will be based on the requirements of the applicant for seed, feed for work stock, and fertilizer, and the acreage of crops on which he gives a crop lien or chattel mortgage to secure the payment of the loan made to him. Loans may be approved in less amount than that for which application is made. Loans for seed and fertilizer shall be at rates per acre, and not to exceed $8 for cotton; $15 for tobacco; $20 for truck crops, including potatoes and sweetpotatoes; and $4 for corn and other crops. Loans may be made at rates less than these maximum figures.

5. WHAT MUST I DO IN ORDER TO OBTAIN A LOAN?

You must make application on S. E. Form No. 2, furnished by the Department of Agriculture, and accompany it with a note (S. E. Form No. 3), chattel or seed loan mortgage (S. E. Form No. 4), and voucher (S. E. Form No. 5), on the proper forms, sending all to the Farmers' Seed Loan Office, Columbia, S. C., for approval by the official of the Department of Agriculture detailed there for the purpose.

If the applicant for a loan is a tenant, or is farming land under so-called crop contract, or has given a prior mortgage on the 1930 crop, he must secure the waivers of the actual owners of the land, his landlord, and/or all prior mortgage holders in the space provided on the mortgage farm for the purpose. If the applicant is

the owner of the land and farms it with tenants or share croppers, waivers of such tenants or share croppers must be secured in the space provided on the mortgage form for the purpose. If the applicant leases the land from another and in turn operates it with tenants or share croppers, waivers of both the actual owner of the leased land (unless the rental of said land has been paid) and of said tenants or share croppers must be secured in the space provided on the mortgage form or on separate waiver form. In all cases where waivers are required the person waiving must certify that at the time of signing such waiver he is in actual possession and owner of any rent note, mortgage, land sales contract, or other paper, and must enter into an agreement on the special form provided for the purpose (Form No. 7) that he will not assign, transfer, hypothecate, or sell such security without first having secured the written consent of the duly authorized representative of the United States.

6. WHAT DOES THE APPLICATION BLANK REQUIRE?

The application blank requires a statement of the amount of the loan desired, the number of acres of each crop for which seed and fertilizer is to be purchased, the amount desired for feed and the number of animals to be fed, and a legal description of the land on which these crops are to be planted, together with a statement of the acreage of these crops grown by the applicant in 1928 and 1929 and the yields obtained. It also requires an agreement to use the money loaned for the purchase of seed, feed, and fertilizer, and to use the seed and fertilizer for crop production on the land described. It requires a further statement to the effect that the applicant does not have seed, feed, and/or fertilizer, and that he does not have and can not get funds from other sources for the purchase of such seed, feed, and/or fertilizer.

7. WHAT ARE THE PENALTIES FOR FALSE REPRESENTATION IN OBTAINING THIS LOAN?

The law provides that any person who shall intentionally make any material false representation for the purpose of obtaining an advance, loan, or sale, or of assisting in obtaining such loan, advance, or sale under this resolution shall, upon conviction thereof, be punished by a fine of not exceeding $1,000, or by imprisonment not exceeding six months, or both.

8. WHAT IS REQUIRED AFTER THE APPLICATION IS COMPLETED AND SIGNED?

After the application is completed it should be signed by the applicant with his usual business signature, together with his mail address. The application need not be sworn to. The community committee certificate should then be filled in and signed by at least two members of the community committee. The application and other papers should then be sent to the county committee, which will fill in and sign the county committee certificate and forward the application to the Farmers' Seed Loan Office, Columbia, S. C. Full publicity will be given in local newspapers to the names and addresses of members of community and county committees.

9. WHAT IS THE NOTE?

The note is a promissory note (S. E. Form No. 3), supplied by the Department of Agriculture, in the amount of the application (not to exceed $2,000), maturing October 1, 1930, and bearing interest at the rate of 5 per cent per annum after that date.

10. WHAT IS THE MORTGAGE?

The mortgage is a chattel mortgage (crop lien in North Carolina and Virginia) on the crops to be grown by the applicant on the land described therein. Three copies of the form (S. E. Form No. 4), supplied by the department, should be filled in and the original should be signed and sworn to before a notary public who must affix his seal. The original and one copy should be sent with the application and note to the Farmers' Seed Loan Office, Columbia, S. C., and one copy should be retained by the applicant. Applicants who have previously mortgaged their 1930 crops on the acreage covered by the mortgage to the United States should accompany the mortgage with waivers (S. E. Form No. 6), signed by other mortgagees to the extent of the Government loan. Notary fee in connection with the oath on the mortgage must be paid by the borrower, but the mortgage will be filed and the filing fee paid by the Department of Agriculture.

11. CAN A TENANT OBTAIN A LOAN FROM THIS FUND?

In order for a tenant to obtain a loan from this fund, his landlord must sign the waiver which is a part of the mortgage or crop-lien form. The total of all loans to the tenants of any one landlord shall not exceed $2,000. In this connection, also, attention is called to the second paragraph in the reply to question 5.

12. WHAT IS THE VOUCHER?

The voucher (S. E. Form No. 5) is the record of the transaction on which payment is made by the temporary special disbursing agent detailed to Columbia for the purpose. This should be filled in down to the space provided for the applicant's signature, and should be signed by him.

13. WHEN AND HOW WILL THE MONEY BE ADVANCED?

On receipt of the completed documents and approval of the application by the designated representative of the Secretary of Agriculture at the Farmers' Seed Loan Office, Columbia, S. C., initial payment of the loan will be made. In the case of loans of $100 or less, the full amount will be included in a single payment, except that interest at 5 per cent from date of approval of the loan to October 1, 1930, will be deducted. In the case of loans of over $100 and not in excess of $200, 75 per cent of the loan will be advanced in the first payment and the remaining 25 per cent, less interest on the entire loan to October 1, 1930, in a second payment one month later. In the case of loans in excess of $200, the initial payment will be 60 per cent, the second a month later 20 per cent, and the third at the end of two months, the remaining 20 per cent less interest on the entire loan to October 1. Thus, on a loan of $80 made April 1, the borrower would receive immediately a check in the full amount, less interest at 5 per cent from April 1 to October 1, or $2, the check being drawn for $78. On a loan of $160 made April 1, the check on that date would be $120, and a month later the second installment of $40 would be paid, less interest on $120 from April 1 to October 1, and on $40 from May 1 to October 1, a total of $3.83, the second check therefore being for $36.17. On a loan of $500 made April 1, the check on that date would be for 60 per cent of the loan, or $300; on May 1, 20 per cent or $100 would be forwarded; and on June 1, the remaining 20 per cent, less interest on $300 from April 1 to October 1, on $100 from May 1 to October 1, and on $100 from June 1 to October 1, a total of $11.25, the final check being for $88.75.

14. WHY HAS THE INSTALLMENT PLAN BEEN ADOPTED?

The installment plan has been adopted in the Southeastern States for the protection of both the borrower and the Government. Expenditures for feed and fertilizer are made over a considerable period, and in general not more than 60 to 75 per cent of the loan is needed at planting time. Last year, when the entire amount of the loan was paid in a lump sum, there were many cases where a part of it, not needed for immediate use for feed and fertilizer, was diverted to other uses, often being applied in the payment of old debts.

15. WILL THE INSTALLMENTS BE PAID AUTOMATICALLY?

Before the second installment is paid the borrower will be expected to report to the Farmers' Seed Loan Office, Columbia, S. C., how the first installment has been expended. A form will be furnished for such a report at the time the first check is sent. In the case of loans paid in three installments, the right is reserved to ask an accounting for the second installment before the third is paid.

16. WHAT RATE OF INTEREST IS CHARGED ON THE LOANS?

Interest at the rate of 5 per cent will be charged on all loans. As all notes are due October 1, 1930, interest from the date of approval of the loan to October 1 will be deducted from the principal of the loan when the advance is made. In the case of advances made in installments, interest on the entire loan will be deducted from the final installment, interest on each installment figured from the date the advance is made to October 1. Loans or balances not paid on October 1 will bear interest at 5 per cent from that date until paid. This plan has been adopted to relieve buyers of crops mortgaged to the Government from the work of figuring interest on installments.

17. WHAT WILL BE THE ACTION TAKEN IF AN APPLICATION IS RECEIVED IN INCOMPLETE OR INCORRECT FORM?

If an application is received which is not complete, either as to the application form itself or as to the note, mortgage, or voucher, any of these documents which requires correction or completion will be returned promptly with a statement of the action necessary. When again received in proper form the application will be handled promptly, but final action can not be taken till all the necessary papers are complete and correct. Delays will therefore be avoided if the applicant and the local committees will go over the forms carefully before sending them in. As all papers in connection with a single application will be stamped with a serial number on receipt, the same form which is sent back for correction or completion should be returned.

18. IF MY APPLICATION IS GRANTED FOR A LESS AMOUNT THAN THAT FOR WHICH I APPLY, HOW WILL THAT FACT BE INDICATED?

On approval of your application you will be notified of the amount for which your loan is approved. If this is less than the amount for which you applied, proper credit for the reduction will be shown on your note, mortgage, and voucher.

19. IF AN APPLICATION IS FINALLY DISALLOWED, WHAT WILL BE DONE WITH THE PAPERS?

If an application is finally disallowed for any reason the note, mortgage, and voucher will be returned to the applicant, together with a letter showing the reason for the action taken. The application itself will be retained as a part of the department's records in the case.

20. WHEN AND HOW IS THE LOAN TO BE REPAID?

The notes are due and payable October 1, 1930, and will bear interest at the rate of 5 per cent per annum after that date. As noted in the replies to questions 13 and 16, interest to October 1, 1930, is deducted at the time the last advance is made on the loan. Full instructions as to the methods of payment will be sent to each borrower before October 1, 1930.

L. E. WHITE,
Administrative Officer in Charge.

MARCH 17, 1930.

DIFFERENTIAL ON SUGAR

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD a letter from the Tariff Commission and a report on the differential between raw and refined sugar.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The matter referred to is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, December 12, 1930.

Hon. W. C. HAWLEY,
Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: With further reference to your letter of June 27, 1930, addressed to Hon. Edgar B. Brossard, then chairman of this commission, I have the honor to inform you that the commission has examined the provisions referred to in your letter, and to inclose the result of its examination in the form of a report on the differential between raw and refined sugar.

Very truly yours,

HENRY P. FLETCHER, *Chairman.*

REPORT ON THE DIFFERENTIAL BETWEEN RAW AND REFINED SUGAR

UNITED STATES TARIFF COMMISSION,
Washington.

By letter dated June 27, 1930, the Ways and Means Committee of the House of Representatives requested the Tariff Commission to obtain and report to the committee certain data with regard to the differential in the duty between raw and refined sugar. The request reads as follows:

"Under the provisions of the tariff act of 1930 sugar testing by the polariscope not above 75 sugar degrees is dutiable at 1.7125 cents per pound, and for each additional degree 0.0375 of 1 cent per pound. Under the tariff act of 1922 the rate was 1.24 cents per pound at 75 degrees, and the rate of progression was 0.046 of 1 cent per pound.

"When these rates are worked out on the basis of Cuban sugar it develops that the differential between 96° and 100° sugar under the act of 1922 was 0.1472 cent per pound against 0.12 cent per pound in the act of 1930, or a reduction of 2.72 cents per 100 pounds. It is contended that this differential affords no protection to the American refiners and that there should be a higher rate of progression on the sugar testing 97°, 98°, 99°, and 100°. It will be appreciated, therefore, if the commission will examine the provisions referred to and advise the committee what differential, in its opinion, would be necessary to afford the proper protection to the refining industry."

The differential in duty between refined sugar and raw sugar may involve two factors: (1) The amount necessary to compensate for the duty on the quantity of raw sugar required to make refined sugar; (2) the protective portion designed to equalize any difference between foreign and domestic costs of refining, cost of containers, and difference between the costs of transporting raw and refined sugar to the United States.

1. The amount of differential necessary to compensate for the duty on raw sugar may be computed as follows:

Approximately 107 pounds of 96° raw sugar are required to produce 100 pounds of refined sugar, and as a by-product approximately 6 pounds of molasses are produced. On imports from Cuba under the act of 1930 there is a spread of 12 cents per 100 pounds between the duty on 96° raw sugar and that on 100° refined sugar. On the basis of the relationship of the quantities stated, the differential necessary to compensate for the duty on raw sugar, as shown in the accompanying table, amounts to 13.90 cents instead of 12 cents per 100 pounds. In other words, using imports from Cuba, the present duty on refined sugar lacks 1.9 cents per 100 pounds (or 0.019 of 1 cent per pound) of being compensatory as against the 96° raw sugar. This is equal to 0.475 cent per 100 pounds for each degree between 96 and 100. In other words, to equalize this difference would necessitate raising the increment for each degree of sugar above 96° to $0.03475 per 100 pounds per degree instead of the present increment of $0.03 per 100 pounds per degree. On sugar paying the full duty the corresponding change would be from an increment of $0.0375 per 100 pounds per degree to an increment of $0.0434.

2. The protective portion of the duty on refining may be computed as follows:

On imports from Cuba under the act of 1922 the actual spread between 96° raw sugar and 100° refined sugar was 14.72 cents per 100 pounds. On the basis of the stated quantity of raw sugar required to produce 100 pounds of refined sugar and the yield of molasses a spread of 12.25 cents per 100 pounds between 96° and 100° sugar would have been a sufficient compensatory differential. The difference between this amount and the actual spread is 2.47 cents per 100 pounds, which represents approximately the extent of protection to the refiner under the act of 1922.

If the differential in the act of 1930 had been made to give the same degree of protection to the refiners as that in the act of 1922, the differential in the Cuban sugar, instead of being $0.03 per 100 pounds per degree, would have been $0.0410 per degree, or a total of $0.164 per 100 pounds between Cuban sugar of 96° and 100°. The corresponding increment on sugar paying the full duty, instead of being $0.0375 per 100 pounds per degree, would have been $0.0512, which is equivalent to a differential of $0.2050 per 100 pounds as between full-duty sugar of 96° and 100°.

The following table shows the basic data on which the figures given are calculated:

Analysis of the differential in duty on imports from Cuba on 96° raw sugar and on 100° refined sugar under the tariff acts of 1922 and 1930

	1922	1930
Duty on 100 pounds, 100° refined sugar	$1.9120	$2.1200
Duty on 100 pounds, 96° raw sugar	1.7648	2.0000
Spread between 100 pounds, 96° raw and 100° refined	.1472	.1200
Duty on additional 7 pounds, 96°, lost in refining	.1235	.1400
Credit for duty on 6 pounds of molasses [1]	.0010	.0010
Compensatory duty necessary to offset duty on 96° raw sugar	.1225	.1390
Protective portion of duty	+.0247	−.0190

[1] Molasses imported as molasses.

3. The commission does not possess adequate information to determine what, if any, differential in addition to that necessary to compensate for raw sugar is necessary on refined sugar in order to equalize costs of refining as between the United States and foreign countries. To obtain this information would entail an extensive investigation, not only into the costs of the refining process but also into the costs of containers and the relative costs of transporting raw sugar and refined sugar from Cuba and other countries to the United States.

Among points which have a bearing upon the relative position of Cuban refiners and American refiners two may be mentioned, although no evidence as to the extent of their influence is available.

(1) Some of the Cuban refineries produce their refined sugar by a continuous process. Where this is the practice the sugar is not ordinarily crystallized in raw form but is taken into the refining process in liquid form. To this extent there might be a saving to the Cuban refiners in operating costs as well as the elimination of the cost of bags in which raw sugar is purchased by the American refiners.

(2) The freight rate from Cuba to the United States on refined sugar is higher per 100 pounds than on raw sugar. The rates on both products vary more or less from time to time and the amount of the differential per pound likewise varies.

4. At the time of the passage of the act of 1922 there were practically no domestic imports of refined sugar. Since that time a sugar-refining industry has developed in Cuba, and as shown in the following table refined sugar has been imported in substantial and increasing quantities.

Refined cane sugars: Imports for consumption, United States [1]

[100° centrifugal, 1925–1930]

Year	Cuban	Full duty	Total
	Pounds	*Pounds*	*Pounds*
1925	2,647,149	8,186,004	10,833,153
1926	116,164,996	7,480,488	123,645,484
1927	177,410,837	1,921,254	179,332,091
1928	373,452,431	11,036,270	384,488,701
1929	511,931,377	4,077,367	516,008,744
1930 (act of 1922) [2]	303,178,083	10,244,889	313,422,972
1930 (act of 1930) [3]	103,354,864	503,900	103,858,764
Total for 1930 (up to and including Sept. 30)	406,532,947	10,748,789	417,281,736

[1] From Foreign Commerce and Navigation of the United States.
[2] From Jan. 1 to June 17, 1930. From figures compiled by Statistical Division of the United States Tariff Commission.
[3] From June 18 to Sept. 30, 1930. From figures compiled by Statistical Division of the United States Tariff Commission.

Respectfully,

HENRY P. FLETCHER, *Chairman.*

DECEMBER 12, 1930.

DROUGH RELIEF

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to print in the RECORD a telegram from the chairman of the drought relief committee in Oklahoma.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to print in the RECORD a telegram from the chairman of the drought relief committee in Oklahoma. Is there objection?

There was no objection.

The telegram is as follows:

MCALESTER, OKLA., *December 20, 1930.*

Hon. J. B. ASWELL,
House Office Building:

After phone conference with other State chairmen have wired Chairmen Jones and Wood as follows: "Members of our various State drought-relief committees who have been giving the subject of drought relief and the condition of our farmers close study since we were appointed at the request of the President, about August 15, believe that the full $45,000,000 authorized for drought relief should be appropriated. At least 200 banks in drought territory have failed during past month, tying up the meager deposits of many farmers who might have gotten along without Federal assistance. Conditions are entirely unprecedented and

getting worse daily. We do not believe Secretary Hyde realizes the magnitude of the need and the number he will be asked to help finance if it is urged that the appropriation be not less than forty-five millions. We desire opportunity of representation at committee hearing. Will you kindly wire, collect, date and hour your committee will meet?" Will you not pass copies to other Members, urge strongly that forty-five millions be made available, and request that if attempt to reduce appropriation is made opportunity be given a committee of State chairmen to be heard? To be effective loan applications must be acted upon very promptly, and the delays and difficulties incident to an effort to obtain a supplemental appropriation will be very thankful.

J. B. PUTERBAUGH, *Chairman.*

TRIBUTE TO THE LATE SENATOR OVERMAN

Mr. KERR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a tribute to the late Senator from North Carolina, Hon. LEE SLATER OVERMAN, by Mrs. Richards, editorial correspondent of the Worcester (Mass.) Evening Journal.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD by printing a tribute to the late Senator OVERMAN Is there objection?

Mr. TILSON. Mr. Speaker, reserving the right to object, I would be the very last one to object to so deserving a tribute, especially coming from Mrs. Richards and being bestowed upon our late lamented friend, Senator OVERMAN, but I wish to say to the gentleman from North Carolina that the tribute of which he speaks was authorized to be printed in yesterday's RECORD and is on the front page of the RECORD appearing on our desks this morning.

Mr. KERR. If that is so, I withdraw my request.

MUSCLE SHOALS

Mr. ALMON. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. ALMON. Mr. Speaker, for the information of the House I desire to say that I am reliably informed the conferees on the Muscle Shoals bill have practically agreed. They were to have had a meeting to-day, but for some reason it was postponed until after the holidays. I had hoped their report might be made to-day and that it could be adopted before Christmas. When the report is made I believe it will be acceptable to both Houses of the Congress. I trust that after the recess this legislation will be disposed of speedily. It is a farm-relief measure and it will relieve, to a great extent, the unemployment situation. I am greatly interested in it, as all of our people are, and I sincerely hope that this long-debated question can be settled immediately after the recess. I wish for each of you a very happy Christmas. [Applause.]

PRESENTATION OF HENRY CLAY STATUTE TO VENEZUELA

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to be permitted to extend in the RECORD my own remarks touching the formal presentation, recently made, to the Republic of Venezuela, under authorization of the Congress of the United States of America, of a statue of Henry Clay, and to include as a part of my remarks the address delivered by me in connection with the subject at Caracas on the evening of December 10, 1930.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD on the subject referred to. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Speaker and Members of the House, I desire to bring to your attention the fact that, agreeably to the act of Congress of 1927, and by virtue of the resulting appropriation made in 1928, there was formally presented to the Government and people of our sister Republic of South America, the United States of Venezuela, on the 9th of this month in Caracas, the Venezuelan capital, a statue of the great North American advocate and champion of Latin American independence, Henry Clay. Agreeably to the act of authorization, President Hoover appointed a special commission, consisting of three members, to make the presentation. The very great honor was mine to be named, and to serve, as a member of the commission. There were designated to accompany the commission a military attaché, a naval attaché, and a representative of the State Department. The names of those composing the commission and the accompanying aides are given in my address, which is incorporated with, and as a part of, these remarks.

It was the purpose of our President and Secretary of State to demonstrate their full appreciation of the importance of this mission of good will. Accordingly, the delegation, as thus constituted, with the exception of Hon. George T. Summerlin, member of the commission, who had gone on before, made the trip on the new United States cruiser *Northampton,* which, through the courtesy of the Navy Department, was furnished for the purpose. We sailed from New York on December 2, and returned there on the 18th of the month, having spent several days in Venezuela.

While in the Venezuelan Republic we were guests of the Venezuelan Government, and we were literally overwhelmed by the character and extent of the courtesies accorded us by the officials and people of that delightful country. Certainly a more charming, a more gracious spirit of hospitality can not be met with anywhere in the world than in the land of Bolivar. We found the country to be one of great beauty, and Caracas, "the city of perpetual spring," revealed itself to us as one of the loveliest capitals anywhere to be seen. It was our great pleasure to meet there some of the most cultured and delightful people it has been our privilege to encounter in a lifetime.

At the unveiling and presentation exercises, formal addresses were delivered by Mr. Sheffield, chairman of our commission, and by Dr. P. Itriago Chacin, Minister of Foreign Affairs of the Venezuelan Republic, and by the well-known Venezuelan orator, Dr. Jose Santiago Rodriguez.

I was privileged to deliver the principal address at the banquet at the Caracas Country Club, given under the auspices of the Pan American Society of Venezuela, for our commission, on the evening of December 10, as a feature of the functions involved.

The statue is of bronze, is something more than life size, and depicts the Great Commoner in speaking posture. It is an impressive piece of art. The pedestal is inscribed in English and Spanish. The English inscription reads thus:

Henry Clay, 1777–1852; apostle of fraternity among the countries of America, and valiant defender of their independence.

To the United States of Venezuela the United States of America gives this statue of its illustrious statesman, Speaker of the House of Representatives, Senator, and Secretary of State.

In the container placed in the monument there was deposited, among other things, an original document or statement signed by the United States commissioners, as follows:

CARACAS, *December 9, 1930.*

On this anniversary date of the Battle of Ayacucho, which finally and forever determined the independence of the Spanish colonies of South America, we, as the representatives of the Government and people of the United States of America, duly chosen for the purpose, formally present, in their name, to the Government and people of the United States of Venezuela this statue of Henry Clay, the great North American, whose courage, zeal, eloquence, and statesmanship so effectively aided the independence cause.

It is the earnest hope and prayer of the people of our Republic that this statue shall here stand as a perpetual token and witness of the good will, affection, and esteem which they bear, and have ever borne, for the people of the Republic of Venezuela.

JAMES R. SHEFFIELD, *Chairman,*
GEORGE T. SUMMERLIN,
MAURICE H. THATCHER,
Commissioners of the United States of America.

Through the courtesy of Maj. Samuel M. Wilson and Dean F. Paul Anderson, of the College of Engineering of the University of Kentucky, both of Lexington, Ky., there was furnished to me to carry to Caracas a handsome gavel, the head of which was made from an ash tree that grew at "Ashland," Henry Clay's historic home near Lexington. This tree was one of those under which Mr. Clay was wont to meditate upon questions of public concern, and it is believed

that some of his great speeches on the independence of the Spanish colonies in America were, in large measure, "thought out" beneath this and the other trees that distinguished "Ashland" in the days of old.

This gavel, it was my very great pleasure to present to the Casa Bolivar, the birthplace of the great Liberator, in Caracas. There it will be kept and preserved, together with many other highly prized possessions and mementos of the great South American whose heroic and successful efforts for the independence of his continent won and held the love and esteem of Mr. Clay, who, in turn, is to-day idolized by the people of Venezuela, and, in fact, by all Latin Americans.

The address already referred to sets forth additional data and information touching the special mission and the historical background involved.

ADDRESS OF HON. MAURICE H. THATCHER, MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES, AND MEMBER OF THE SPECIAL COMMISSION OF THE UNITED STATES PRESENTING STATUE OF HENRY CLAY TO VENEZUELA, DELIVERED AT THE COUNTRY CLUB AT CARACAS UNDER THE AUSPICES OF THE PAN-AMERICAN SOCIETY OF VENEZUELA, WEDNESDAY EVENING, DECEMBER 10, 1930

Mr. Minister of Foreign Affairs, Your Excellencies, Mr. Chairman, ladies, gentlemen, and fellow Americans: I know that I voice the sentiment of our entire delegation, including, of course, the ladies who accompany us, Mrs. Sheffield and Mrs. Thatcher, when I say that the hospitality which has been extended us since our arrival at La Guaira last Monday has been of an unparalleled character. The Government and the people of Venezuela have accorded us a welcome so generous, and have showered on us courtesies so ample and gracious, as utterly to overwhelm and amaze us. Except for the fact that somehow we have been able to maintain our wits sufficiently to recall that we are citizens of a republic and know nothing save the customs of democracy, we would certainly indulge the belief that by some sort of magic, incident to contact with your hospitable shores, we had been transformed into royal personages, and acclaimed and maintained as such.

Upon a certain historic occasion Cæsar said, as you will recall: "I came, I saw, I conquered." We paraphrase that famous dictum, and on this most delightful mission declare that "We came, we saw, and we are conquered."

We know that you who live in Venezuela give to all strangers who come to your lovely land the most generous welcome, and had we come unofficially your hospitable spirit would have manifested itself in its accustomed way; but we realize, and are deeply grateful for the fact, that in the last analysis your magnificent reception of us arises from your deep desire to give evidence of the good will and affection you bear for the Nation whose evangels of amity we are.

Please be assured, beloved friends of Venezuela, that in our heart of hearts, so long as life shall last, there will glow the tender memory of this brief visit here, and that memory will be sanctified by the realization that what ye have done unto us, among the least of our citizenry, ye have done unto our Nation and to all our people.

I trust that I may be pardoned for speaking somewhat as an individual, as well as a member of the commission appointed by President Hoover to present in the name of the Government and people of my own country, to the Government and people of Venezuela, the statute of Henry Clay. The formal unveiling and presentation, as you know, took place in the beautiful Henry Clay Plaza in Caracas yesterday forenoon, in the presence of a large and brilliant assemblage of Venezuelan citizens and officials, members of the diplomatic corps, and others.

It is with peculiar gratification that I find myself in Venezuela. I must confess that ever since I have understood the meaning of travel, I have desired to see this country, the land whose shores were visited by the great Columbus in 1498 and whose people, under the leadership of the great Liberator, Simon Bolivar, came to independence more than a hundred years ago. During my several years of residence on the Isthmus of Panama, during the construction of the great canal there, where I had the honor to serve as a member of the commission charged with the duty of that construction, my wife and I had hoped to visit Venezuela, but no opportunity permitted. Hence, the delight we feel in being here now under these circumstances.

And thus, in this inadequate way, having sought to express the appreciation which we, your visitors, feel because of what has been done for us on Venezuelan soil, and especially in Caracas, including, of course, the charming hospitality of this evening, with your permission I shall speak briefly touching some matters bearing upon our mission.

THE BIRTHPLACE OF LATIN AMERICAN LIBERTY

Here, in these mountains, plains, and valleys was born the conception of Latin American independence; that ideal of liberty which, after years of bitter warfare and ever-changing fortune came to glorious fruition. We, who have come into your midst to-day, feel that we are treading on holy ground. Here was the cradle and nursery of South American freedom. We come from the land of Washington and Clay into the land of Bolivar and Sucre. Your forefathers lighted their torches from the fires of Lexington, Concord, Bunker Hill, and Yorktown. We renew our own from the glorious light shed by Boyaca, Carabobo, Juinin, and Ayacucho. We have come into your midst as messengers of good will, and we shall return to our country bearing, if you will but permit it, as the informal messengers of Venezuela, the good will of the Venezuelan people.

KENTUCKY'S CONTRIBUTION

It is a matter of especial pride with me to-day that I am a Kentuckian, because the immortal Clay was a Kentuckian. It is a matter of pride with me that I am a citizen of the American Commonwealth, which the Great Commoner so long and so illustriously represented in the two Houses of the National Congress of my country. It is also a matter of gratification that I have the honor to be a Member of the House of Representatives from the State of Kentucky; and it was my very great pleasure to support in the House the measure introduced by my former colleague from the old Henry Clay district of the State, Hon. Virgil Chapman, authorizing the presentation of this statue; and also to aid in securing the necessary appropriation therefor. For nearly 14 years Clay was the Speaker of the House of Representatives. He was the most distinguished presiding officer the House has ever had. In all that time never once was a decision of his reversed by the House, such was his ability and fairness.

It was during Mr. Clay's service in the House that he rendered such great and timely aid to the cause of Latin American independence. His eloquence, courage, zeal, vision, and statesmanship finally brought the full recognition of the independence of the Latin American countries by the United States Government.

It is also very gratifying to the people of my State that it was the first of all the American Commonwealths to declare formally its sympathy for the cause of freedom of the Spanish colonies in America. This, of course, was due to the commanding influence of Mr. Clay. Thus, in 1817, Gov. Gabriel Slaughter, in his message to the Kentucky General Assembly, expressed his very earnest sympathy for the success of the South American colonies in their efforts for independence. Agreeably to this message the general assembly promptly passed, in the early part of 1818, a resolution favoring such independence. Again in 1820–21 the general assembly of the State passed another similar resolution and commended the Kentucky Members of Congress for their efforts in behalf of that cause. Then, of course, there were the great speeches of Mr. Clay in the House of Representatives favoring Latin American independence, and his other splendid activities in that behalf.

These speeches and these activities are too well known to require on this occasion more than a general reference to them. Step by step, and in the face of the gravest difficulties, he fought his way until the people of his country were behind him, and secured the passage by the House in February, 1821, of a resolution expressing sympathy for the heroic struggles of the Latin American countries for freedom, and pledging the support of Congress to the President of the United States of America whenever he might recognize those countries. Finally, in March, 1821, President Monroe sent to Congress a message favoring such recognition, and under Mr. Clay's leadership there was promptly passed by Congress a resolution "to establish foreign intercourse with the independent nations of South America;" and formal recognition promptly followed.

During these years there grew up between Henry Clay and Simon Bolivar the historic friendship as revealed by their correspondence and the history of the times.

Again the State of Kentucky was brought into the picture. Col. Charles S. Todd, of that State, was the first representative appointed from my country to a South American nation. He was sent by President Monroe on a special mission to Colombia. He was next sent as the first regularly accredited diplomatic representative of the United States to a Latin American country; that is to say, to Colombia as chargé d'affaires and as bearer of the recognition of independence.

Then, in 1823, at the instance of Mr. Clay, another Kentuckian, Richard Clough Anderson, jr., was appointed as the first regularly accredited minister from the United States to Greater Colombia, and had the honor of negotiating the first treaty of commerce and amity between the United States and a South American country.

Henry Clay, as Secretary of State, cooperated with General Bolivar in regard to the holding of the first Pan American Congress in Panama in 1826; and also as Secretary of State, Mr. Clay selected Minister Anderson as one of the delegates from the United States to that Congress. Mr. Anderson died, however, en route from Bogota to Panama.

Then, the third minister from the United States to Greater Colombia was another Kentuckian, Thomas P. Moore, appointed by President Jackson. Nor must I forget to mention our recent able minister to Venezuela, Hon. Preston McGoodwin, a Kentuckian, who likes your country so well that he has remained among you.

So much for the Clay and Kentucky contacts with Venezuela and the other South American countries in independence days. Now, permit me to speak of the recent interest which Kentucky has shown touching matters Venezuelan. Kentucky's general assembly in 1926 passed a resolution, of which Hon. C. B. Truesdell, of the State senate, was the author, authorizing the appointment by the governor of delegates to the Panama and Caracas congresses to celebrate the one hundredth anniversary of the Panama Congress of 1826. These delegates were appointed and attended the 1926 congress in Panama.

The Congress in Caracas was, I believe, postponed and not held. The same resolution memorialized the President and Congress of the United States for the enactment of the necessary legislation to provide for the presentation to the people and Government of Venezuela of a statue of Henry Clay. In 1921, as you will

recall, the Venezuelan Government presented to the city of New York a beautiful statue of Simon Bolivar, which now adorns Central Park in that great city. My country deeply appreciated that evidence of Venezuelan good will, and has been most happy to reciprocate it.

ACTION OF THE CONGRESS OF THE UNITED STATES—SPECIAL COMMISSION

The act of Congress authorizing the presentation of the Henry Clay Statue to Venezuela became a law in February, 1927. The appropriation for the statue thereupon followed in 1928. An American sculptor, Edmond T. Quinn, began the work, but died before its completion. Thereupon another American sculptor, Francis H. Packer, completed the undertaking. In compliance with the act of Congress the President of the United States appointed as a special commission to present the statue to the Government and people of Venezuela, Hon. James R. Sheffield, former ambassador to Mexico; Hon. George T. Summerlin, our present minister to Venezuela; and myself. Mr. Sheffield was appointed chairman of the commission with the rank of ambassador extraordinary and plenipotentiary. Also there were named to accompany the commission Col. Blanton Winship, as military attaché; Capt. Lamar R. Leahy, as naval attaché; and Mr. Robert J. Phillips, of the State Department, as secretary.

PRAISE DUE TO RUDOLPH DOLGE

Touching the subject of this statue, I trust that the honored president of the Pan American Society of Venezuela, Mr. Rudolph Dolge, will not be offended when I suggest that more to him, a citizen of the United States, but long resident in Venezuela, than to any other person is due the credit for having made possible the presentation of this token of good will to Venezuela. The seed sown by him in Kentucky some years ago found fruitful lodgment there, and all this that is now taking place is the happy harvest. The people of my State and of my country were only too glad to embrace an opportunity to indicate their love and esteem for the people of Venezuela. The statue will stand here as an enduring witness of that love and esteem.

CONCLUSION

And now a few general observations and I am done. Speaking for our delegation, permit me to say that it is hoped that our mission hither and the duties we are here discharging may prove of lasting value, not only to your country and to mine, but, as well, to all the countries of America. All of the Republics of the New World have had the same character of struggle and hardship to gain their independence. All of them are grounded upon the same basic principles and ideals; they have the same orientations; and they have a common destiny. All of them have their problems—this is inevitable—but the formula for the solution of those problems lies in the practical application of the great principles set forth in the constitutions and laws which our nations have adopted. We are all Americans. Whatever affects any one of our Republics, whether yours, mine, or another's, must affect the others. Hence in the last analysis it is possible that in the years to come we may all go up or down together. All of us face in the same direction; that is to say, toward the sunrise. Each must be touched by the weakness or the strength of the others.

Therefore the leaders of thought in my Nation, like the leaders of thought in your own and the other Latin American countries, are the most earnest advocates of Pan Americanism, the great policy formulated by Bolivar and Clay. More and more we must council together for the good of all.

Let us hope that in the future, as in the past, my Nation and that of Venezuela may maintain the closest mutual bonds of friendship and fraternity. May we hope also that the generations of the future may hold for each of our countries the blessings of prosperity, culture, and happiness far beyond our power to anticipate. Your country, like my own, has a heroic past, and like my own is possessed of great natural resources. Your potential wealth is nothing less than marvelous. It is a refreshing experience to visit a country that is practically free from debt. This is the splendid record that Venezuela presents to the world.

And permit me to express the faith that in this hour of reverent and loving ceremonial and remembrance; that during this time of mutual exchange of the sentiments and assurances of good will, when our minds and hearts are filled with patriotic zeal and ennobled by the occasion, there hover over and join with us in these exercises the spirits of those two master souls of their generation in the cause of American liberty, the Great Commoner, Henry Clay, of my land, and Simon Bolivar, the peerless soldier-leader, El Libertador, of your own. So long as the memories of these dauntless men may live in the republics of America their destinies will be secure.

THE CLERKS' SALARY INCREASE

Mr. WOOD. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to address the House for 10 minutes. Is there objection?

There was no objection.

Mr. WOOD. Mr. Speaker and gentlemen of the House, it has been suggested that it might be opportune, and certainly in order, to call the attention of the House to what we have done since we convened in the way of appropriations. I wish to congratulate the House and the several Appropriation Subcommittees upon the splendid work they have done up to this time. I do not believe that in the history of this Congress there has ever been a better showing made or more work accomplished in such a short period of time as that which has been accomplished since we convened. [Applause.]

The Treasury and Post Office Departments bill, which passed the House, passed the Senate, and is now in conference, carries $1,083,000,000. The Interior Department bill, which passed this House and is now being considered in the Senate, carries $68,500,000. The Agricultural appropriation bill, which passed this House upon yesterday, carries $213,000,000. This House has passed a bill carrying $150,000,000 for addition to the revolving fund of the Federal Farm Board. The bill which passed this House known as the emergency construction bill, to relieve the unemployment situation, as it passed this House carried $110,000,000, to which $6,000,000 has been added in the Senate. So that in all, from the beginning of this session down to this hour, we have passed appropriation bills amounting, in round numbers, to $1,630,000,000. In addition to this, the drought relief bill authorizes $45,000,000 to be appropriated.

Mr. Speaker, ladies and gentlemen of the House, I wish to take advantage of this opportunity to correct some misstatements which have gone out over the country, and which no doubt have had their effect upon the membership of this House, with reference to what has been done and will be done concerning the increase of salaries of Federal employees. When it became known that there had been an agreement between the conferees of the House and the conferees of the Senate with reference to this matter, telegrams began to pour out from the city of Washington all over this country asking that certain messages be sent to various Members of this House. Perhaps many of you have received them already, and those of you who have not received them will no doubt receive them within a very short time.

In order that the Members may understand just what the bill as it passed the House contains to cover increases, I desire to say that in framing the House bill these amounts are approximately available to cover increases. We are now considering the Post Office and Treasury bill, and there is a general understanding between the House and the Senate that whatever is adopted with reference to this appropriation bill must, of necessity, be adopted as to all of them. The amount in the Treasury-Post Office appropriation bill on account of the act of July 3, 1930—the Brookhart Act—which is effective for salaries during the next fiscal year, carries an increase to the amount of $1,437,480. The amount under the Treasury Department in normal appropriations which will be available from lapses, and so forth, for salary increases during this next fiscal year is $811,000. The amount under the Post Office Department in Washington normally used for making increases from lapses, and so forth, is $25,000. The amount in the House bill, therefore, to cover salary increases, is $2,273,480. To this total the Senate has added for the salary increases proposed under the 3-year program proposed in the Budget for next year, $1,200,000. The amount of the bill, therefore, as it passed the Senate, available for salary increases would be $3,473,480.

You will remember that the so-called Wood amendment was stricken out in this House in the consideration of the Interior Department appropriation bill. I took it to be the wish of the House that that should no longer be considered, and it was not considered in connection with the agricultural appropriation bill which passed the House upon yesterday.

In the House appropriation bill for the Post Office and Treasury Departments the Senate added the $1,200,000 as the first increment of this 3-year program. The conferees, after they took this matter into consideration and after they were advised by the Treasury Department and by the Postmaster General that they thought it would be wrong, under the conditions now existing in this country, to have these salary increases carried in that bill, determined not to carry them.

I want to say to you that with entire unanimity the conferees of the House and the conferees of the Senate have

agreed upon this, and I felt it was my bounden duty to you that I should bring before you the facts with reference to this entire question; and this is not all. The amount of $1,200,000 for these salary increases is a part of the $4,250,000 proposed by the Budget as the first year's increment of a 3-year program, which in all would cost $14,500,000 a year for salary increases. These amounts the House denied.

All the appropriation bills will contain approximately $4,000,000 for carrying out the Brookhart Act of July 3, 1930, to cover the salary increases under that act. In addition to this amount, the bill carries the regular funds under which promotions and increases may be made from lapses, and so forth, which is roughly estimated to be at least $3,500,000 to $4,000,000. All the bills, therefore, irrespective of this 3-year program, will carry between $7,500,000 and $8,000,000 to cover salary increases.

If the Senate amendment should prevail, it would run up the amount for salary increases to nearly $12,000,000 for this session; and this at a time, as I stated before, when there are millions of men and women out of work. I appeal to you, gentlemen, what a position we are placing ourselves in.

There is no suffering among Federal employees. They are employed every day at a very fair salary, to say the least, and some of them, as many will state, at a most exorbitant salary.

Talk about there being no wage reduction in this country! The total paid for wages in the great industries in this country have been decreased very considerably. It is true that most of the large factories and most of the large manufacturing companies have not reduced the daily wage or the price of the daily wage, but they have reduced the number of days they can work, so that there has been a great decrease in wage earnings of the working men and women of the United States; and I may say to you, and I take great satisfaction in saying this, that every mail I am receiving from within and from without this town commends the action of the committee with reference to the position they have taken, and the crime it would be, especially at this time, with all the grief and all the woe throughout the country, to increase salaries in addition to the natural increases that come by reason of the facts I have told you.

Mr. BYRNS. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. BYRNS. More by way of emphasizing what I understand the gentleman has already stated, I wish to say the impression has been created throughout the country in some way, among the employees of the Government, that under the bills as reported by the House committee the employees will get no increase. As I understand the gentleman, with the elimination of the Wood amendment and with the appropriations which are carried under the Brookhart Act, there will be increases in the Treasury Department alone for the employees of over $2,200,000 for the year 1932, and there will be corresponding increases in the other departments.

Mr. WOOD. That is correct.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that the gentleman may have five additional minutes.

The SPEAKER. Without objection, the gentleman from Indiana is recognized for five additional minutes.

There was no objection.

Mr. CRISP. Will my friend yield to me for a question?

Mr. WOOD. Yes.

Mr. CRISP. Under the Farm Board act we authorized $500,000,000 to be appropriated and we have appropriated $150,000,000 this year. Does that exhaust the authorization?

Mr. WOOD. No; there will be $100,000,000 more that will be carried in the general bill.

Mr. BURTNESS. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. BURTNESS. I voted with the gentleman on the so-called Wood amendment, but a majority of the House took it out. The thing that bothers me is this: Would refusal to add the amount that was added by the Senate amount in substance to a denial of the expression of the House in defeating the so-called Wood amendment?

Mr. WOOD. No.

Mr. BURTNESS. In other words, would a denial of the extra amount mean the same thing as if the Wood amendment had remained in the bill?

Mr. WOOD. No; it would not have that effect at all, and that is one of the mistaken impressions I am trying to correct now.

Mr. BURTNESS. I think that impression prevails more or less among the House membership.

Mr. WOOD. Of course, that idea exists and that impression went out. The idea was intentionally spread throughout the country that if the Wood amendment prevailed there would be no increases whatever, and that was correct, because a great many thought that those who were drawing salaries in the higher brackets should not be permitted to receive the promotions under these lapses, but the Wood amendment went out, and therefore it has no application at all to such lapses, and, as I have told you, under the Brookhart Act, which is in force now, and under these lapses, there will be between $7,500,000 and $8,000,000 to cover increases, so there can not be any mistake about that.

Mr. BURTNESS. I understand that, but what about promotions within the grades?

Mr. WOOD. It permits such promotions, just the same as if nothing whatever had happened, within the amount of money they have.

Mr. TABER. And in addition to that, they can use the money available out of lapses for other promotions.

Mr. WOOD. That comes under the lapses.

Mr. SNELL. Where is this information coming from that has been spread throughout the country that we are not allowing anything additional and are cutting down salaries?

Mr. WOOD. It comes from the gentleman who has been misrepresenting for years every act of this Congress that he has felt has been detrimental to the interests he is representing and being paid $6,000 or $7,000 a year to represent, and he is our Mr. Steward. He has uttered more falsehoods and made more misrepresentations, since I have been a Member of this Congress and since he has been occupying his present position, than Ananias could have made had he been on earth for the same length of time. [Laughter and applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 30 minutes. Is there objection?

Mr. DYER. Reserving the right to object, upon what subject?

Mr. McFADDEN. On the international financial situation.

Mr. DYER. On the same line as the gentleman's previous speech?

Mr. McFADDEN. Somewhat; yes.

Mr. BEEDY. Reserving the right to object, is the gentleman going to discuss the Federal Reserve Board policy and the appointment of the chairman to the board?

Mr. McFADDEN. I am not going to discuss the appointment of the governor of the Federal Reserve Board. I covered that question thoroughly last Tuesday. I am not going to discuss the address of the gentleman from Massachusetts [Mr. LUCE] last Wednesday, if that is what is in the gentleman's mind.

Mr. BEEDY. The gentleman at this critical time is going to discuss the policy of the Federal reserve system?

Mr. McFADDEN. I am going to state some facts pertinent to certain matters connected with the Federal reserve system and the international financial situation.

Mr. BEEDY. Mr. Speaker, inasmuch as this is a matter vitally affecting the situation at this critical time, and the

fact that it has never been taken up before the committee, I shall object. If we are to discuss the Federal reserve's policy now, I think we should first consider it in the committee.

Mr. GARNER. Will the gentleman yield for a question?

Mr. DYER. Mr. Speaker, I ask for the regular order.

The SPEAKER. The regular order is demanded.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to insert in the RECORD the address that I was about to deliver.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BEEDY. I shall have to object to that until I have had some opportunity to inform myself as to the subject matter which it is proposed to discuss.

CALL OF THE HOUSE

Mr. HOWARD. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Nebraska makes the point that there is no quorum present.

Mr. TILSON. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 8]

Abernethy	Douglas, Ariz.	Johnson, Ill.	Purnell
Allen	Douglass, Mass.	Jonas, N. C.	Quin
Arentz	Doutrich	Kahn	Ransley
Arnold	Doyle	Kearns	Reece
Baird	Drane	Kemp	Rich
Beck	Drewry	Kendall, Pa.	Romjue
Beers	Eaton, Colo.	Kennedy	Rutherford
Bell	Edwards	Kunz	Sabath
Blackburn	Estep	LaGuardia	Seiberling
Boylan	Fenn	Larsen	Shaffer, Va.
Brand, Ohio	Fitzpatrick	Leech	Sirovich
Britten	Foss	Lindsay	Smith, W. Va.
Browning	Freeman	Linthicum	Somers, N. Y.
Brumm	Fuller	McLeod	Sparks
Brunner	Gambrill	McMillan	Speaks
Carley	Garber, Va.	Martin	Spearing
Carter, Wyo.	Gasque	Mead	Stafford
Celler	Gavagan	Merritt	Steagall
Chase	Gibson	Michaelson	Stevenson
Chiperfield	Gifford	Milligan	Stobbs
Clark, Md.	Glover	Mooney	Sullivan, N. Y.
Clark, N. C.	Golder	Moore, Ky.	Sullivan, Pa.
Collins	Granfield	Moore, Ohio	Sumners, Tex.
Connery	Hale	Nelson, Mo.	Thompson
Connolly	Hall, Ind.	Niedringhaus	Underhill
Cooke	Hall, Miss.	Norton	Underwood
Cooper, Ohio	Hancock, N. C.	O'Connell	Walker
Craddock	Hartley	O'Connor, La.	Warren
Crail	Hastings	O'Connor, N. Y.	Whitley
Crosser	Hickey	Oliver, N. Y.	Whittington
Cullen	Hoffman	Owen	Williams
Dallinger	Hogg, W. Va.	Parsons	Wolfenden
Dempsey	Hope	Peavey	Wolverton, N. J.
Dickstein	Hudspeth	Pou	Woodrum
Dorsey	Igoe	Pratt, Ruth	Wright
Doughton	James, N. C.	Pritchard	Zihlman

The SPEAKER. Two hundred and eighty-eight Members have answered to their names; a quorum is present.

Mr. TILSON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

FLORIDA

Mr. GREEN. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker and my colleagues, in all Christian nations I believe that this the Christmas season is the most pleasant and wonderful of all the seasons of the year. It is a season of relaxation, spiritual contentment, and happiness. I judge that many of you will have the pleasure of going home and spending the holiday season with your families. I trust it will bring to each of you that happiness and consolation that should come when the busy cares of official life are set aside.

A number of my colleagues have indicated their intention of spending a portion of the holidays in our great State of Florida. I am familiar with the train and bus schedules for Florida as well as the roads leading there. I shall be very glad to furnish you with any information or road maps that you may need. If you will spend your holidays in Florida, I know you will enjoy it; the people of my State will make your visit happy and pleasant; come, if you will. Regardless of where you spend your holidays, I wish for each of you all the happiness that this joyous season should bring to you. [Applause.]

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLARKE of New York. Mr. Speaker, ladies and gentlemen of the House, on behalf of Santa Claus and my constituents, I wish you all a Merry Christmas. [Laughter and applause.]

CONTESTED-ELECTION CASE—UPDIKE VERSUS LUDLOW

Mr. BEEDY. Mr. Speaker, I submit a privileged report from the Committee on Elections No. 1, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 326

Resolved, That Ralph E. Updike was not elected a Representative to the Seventy-first Congress from the seventh congressional district of the State of Indiana and is not entitled to a seat therein.

Resolved, That Louis L. Ludlow was duly elected a Representative to the Seventy-first Congress from the seventh congressional district of the State of Indiana and is entitled to retain his seat therein.

Mr. BEEDY. Mr. Speaker, this is a resolution submitted as a result of the unanimous vote of the Committee on Elections No. 1. The case presented some very technical considerations. The question of determining what constitutes inhabitancy within the meaning of section 2, Article I, of the Constitution, which defines the prerequisites to qualifications in this House, is always a troublesome one. It turns largely upon the question of intention. The committee decided that there was such a chain of evidence running over a course of years as proved the intention of Mr. LUDLOW to retain his inhabitancy, which embraces his rights of citizenship, in the seventh district of Indiana.

Mr. Speaker, I yield 15 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker and Members of the House, with your kind permission, I will take a few moments to give voice to the emotions that flood my heart. In this proceeding my eligibility to qualify as a Hoosier was challenged. I do not know why anyone who would look at me would have any doubts on that point. My ancestry on both sides was rooted into the pioneer life of Indiana long before there was even a dream of statehood. My father and mother were among the pioneers of rugged honesty and sterling character who subdued the forests and laid the foundations of a great State. There are many of their like sleeping in the rural graveyards of Indiana. Their noble examples abide with us and it was such as they that placed the Commonwealth on foundations true and strong and made Indiana what it is to-day, a jewel in the diadem of States.

Born in this rural Hoosier environment at a time when the wildness of pioneer life was still more of a fact than a memory, I left the farm nearly 39 years ago to try to find better opportunities in life, and, with all the handicaps of inexperience and verdancy that imagination can conjure, I went to Indianapolis to seek employment on a newspaper. I leave you to visualize if you can some of the soul-trying episodes through which I passed before I became "city broke." While I struggled as a young newspaper reporter I tried always to be square and to help others, and in those days were formed the first friendships which are largely responsible for my being in Congress to-day, for when, to the surprise of everybody, including myself, I finally gave evidence of a political ambition, the fathers and grandfathers, the friends of my youth, which all the fervor of true affection, urged their sons and their grandsons and their collateral kin to support me, and they did this utterly regardless of political affiliation.

In the development of my newspaper career there came a time when I wanted to be a Washington correspondent. That was a very natural ambition. Not only to my mind but to the minds of many others the Washington service is the very pinnacle of journalism. Samuel E. Morss, owner of the Indianapolis Sentinel, named me as his representative at the Capital of the Nation. There is only one place to be a Washington correspondent, and that place is Washington. So I came here and for many years divided my time between Washington and Indiana, remaining here while Congress was in session and returning to work in Indiana during the vacation periods.

But all the time I kept my Hoosier citizenship straight. I voted regularly in Indiana. I paid my small property taxes there. I asked and obtained permission to pay my income taxes there in order to safeguard my Hoosier citizenship.

That is the story. Because of my long contact with the Indianapolis public, through the agencies of journalism and otherwise, I think it is not stretching the truth to say that I am something of an institution of our city. I did not say that I am a good institution, but an institution does not have to be good to be an institution. [Applause.]

From the bottom of my heart I want to thank the Committee on Elections No. 1 for the careful, thoughtful, and conscientious consideration it has given to my case. Indianapolis is enshrined in my heart, because that city received me with open arms when I was a penniless boy. The tender recollections of my youth center there. It is a great honor to represent the capital district of Indiana in the Congress of the United States, and it will always be my sincere purpose to conduct myself so as to be worthy of that honor. [Applause.]

I love the Hoosier State. I do not believe there is any other place in the world where the sun shines so brightly and hospitality radiates so warmly as in Indiana. And I love the Hoosier people for their genuineness, for their neighborliness handed down from pioneer days when the settler's "Who's here?" was a cheery call of identification and never of exclusion; when the latchstring was always hanging out and the stranger at the gates always found a meal and a spare bed, though he never had been seen before. I interpret the decision of the committee and of the House to be that I am an infinitesimal part of the warp and woof of Indiana, that I am bone of their bone and flesh of their flesh, and I am glad.

I shall always imagine that the members of the committee in discussing this case among themselves said to each other: "You can tell by looking at LUDLOW that he is a Hoosier."

And in the back of my head there will always be a lingering suspicion that my appearance was Exhibit A in winning my case. [Laughter.]

I am proud to be called a Hoosier. I am proud of my pioneer lineage. I am proud of the strong and brave men who conquered the wilderness and proud that my own father was one of them. They were men of honor and righteousness. I am proud of the pioneer women, whose sublime faith and courage bore aloft the torch of hope in those hard and crucial years, and I am proud that my mother was one of them. I am proud of the history of my State, of its brilliant progress in the pursuits of peace and its matchless record in war. [Applause.]

I would be less than human if I did not tell you that your action this afternoon has made me supremely happy, because you have found me to be what I have always known myself to be, a blown-in-the-bottle Hoosier. I am glad to know that I am not to be deprived of my Hoosier birthright by congressional edict. I am delighted that Congress has found on me the unmistakable Hoosier brand and has left it there. And I am pleased that this decision confirming my right and title to a Hoosier's seat in Congress, though somewhat delayed, has come at that idealistic season of the year, immortalized by our Hoosier bard, "When the frost is on the punkin and the fodder's in the shock." If you will permit me to express my emotions in the colloquialisms of my native land, I will say that while I was disturbed "right smart" over the delay in deciding this contest, now that the decision has been reached I feel "real peart." And why should I not feel "peart"? I am the only person in the whole world who has ever been declared a Hoosier by act of Congress, and I thank you. [Applause.]

Mr. BEEDY. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Speaker, Members will recall that during the last session of Congress an act was approved authorizing the purchase of what is called the Vollbehr Collection. That legislation was initiated by a bill offered by my distinguished friend from Mississippi [Mr. COLLINS] just one year ago. He followed the introduction of the bill by a very notable address here in February, 1930. I rise for the purpose of saying that 1,700 volumes of that collection, which has a total of 3,000 volumes, are now on exhibition in the Library of Congress on the second floor, and I am satisfied that anyone who has not done so will find very great interest in seeing those books. All of them were printed in the fifteenth century. Nearly all of them were printed prior to the discovery of America by Columbus. Even to an unscholarly person the exhibition has obvious value. Take, as an illustration, the Gutenburg Bible. That work is in three volumes, and it is surprising to find that the beautiful vellum binding is as perfect, the paper as perfect, the ink as distinct, and the colored illustrations as vivid, as when the printing was done nearly 500 years ago, and much the same is true of the other books. I am satisfied that any of you gentlemen who have not visited that exhibition will concur in what I am saying when I state my belief that a most valuable addition was made to the Library by the expenditure of $1,500,000 to make the purchase, which is said to be something like one-half of the present commercial value of the collection.

What has happened in my time in the way of constructing a beautiful and ample Library building and in the way of gathering there priceless possessions, belonging to all periods of literature, has been most astonishing. Back of my time the Library of Congress, of which we are all now proud to boast, had a very small beginning. The idea was to make it simply useful for the Members of Congress. The first Librarian was appointed by President Jefferson in 1802. He was the Clerk of the House of Representatives, one of the early predecessors of our friend Mr. Page, John Beckley, of Virginia, and the law under which he was appointed provided that he should serve at a compensation of $2 per diem for the days when he actually worked.

In my own time the Library has been housed here in the Capitol—and very inadequately—and contained but a comparatively small collection of books. That was when Mr. Spofford was the Librarian. We have now gotten away from the original conception and have a Library which is not designed exclusively for the use of Members of Congress, but is a great national Library, comparable with the libraries of other leading nations; and nothing has recently occurred which adds more to the importance of the Library than the remarkable Vollbehr collection, upon the acquisition of which I think the Members of this Congress may well congratulate themselves. [Applause.]

The SPEAKER. The question is on the resolution offered by the gentleman from Maine.

The resolution was agreed to.

MESSAGE FROM THE PRESIDENT—PAITILLA POINT MILITARY RESERVATION (H. DOC. NO. 700)

The SPEAKER laid before the House the following message from the President, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I inclose a communication from the Secretary of State recommending a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

I recommend that the Congress enact the necessary legislation authorizing and empowering the Secretary of State to effect the modification of the boundary lines as recommended by him.

HERBERT HOOVER.

THE WHITE HOUSE, *December 20, 1930.*

ADJUSTED-COMPENSATION CERTIFICATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, if a Member of the House is in favor of any plan of cash settlement for the veterans of the World War on their adjusted-compensation certificates, he should sign the petition now in charge of the Journal clerk of the House which will force the Committee on Ways and Means to grant a hearing on the proposal and report the bill within 15 days from the time a majority of the Members have signed the petition. How can a Member favor any plan of cash settlement or change of the present law and not take the step that is necessary to force the committee to grant a hearing in order that he might present his plan?

COPY OF THE PETITION

The following is a copy of the motion now in charge of the Journal clerk which I am asking a majority of the Members to support by affixing their signatures:

MOTION TO INSTRUCT A COMMITTEE TO REPORT A BILL

DECEMBER 9, 1930.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of Rule XXVII, I, WRIGHT PATMAN, move to instruct the Committee on Ways and Means to report the bill (H. R. 3493) entitled "A bill to provide for the immediate payment to veterans of the face value of their adjusted-compensation certificates," which was referred to said committee May 28, 1929, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

_____ _____.
_____ _____.

Under clause 4 of rule 27 above referred to the committee will be forced to report the bill within 15 days after 218 Members have signed the petition.

Suppose a Member should favor a 50 or 75 per cent cash settlement or option, he should sign the petition. When the committee is forced to have hearings and report the bill within 15 days his plan and all other plans presented will be considered by the committee and the bill reported with the best plan suggested as an amendment to the bill.

Approximately 100 Members have signed the petition already. No harm can be done in causing a committee to give consideration to the proposal. If it will promote the general welfare and is sound, it should be adopted; and if not, it should be rejected. There is no better way to discover its merits or demerits than an open hearing before the committee. Will you not join with us and help get its consideration?

On the following dates I made speeches, which are contained in the CONGRESSIONAL RECORD, advocating this legislation: June 6, 1929 (extension of remarks); April 3, 1930; December 3, 1930 (discloses the amount the veterans in each State will receive in the event of cash payment); and December 16, 1930. I believe the arguments presented in these speeches will sustain the position that the face value of the certificates should be paid in cash now.

RECESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the House stand in recess until 2 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Accordingly (at 1 o'clock and 16 minutes p. m.) the House took a recess until 2 o'clock p. m.

AFTER THE RECESS

The recess having expired, at 2 o'clock p. m. the House was called to order by the Speaker.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 211) entitled "Joint resolution for the relief of farmers in the drought and/or storm stricken areas of the United States."

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14804) entitled "An act making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment, and had receded from its amendments numbered 11, 12, and 14 to said bill.

ADDRESS BY SECRETARY OF WAR HURLEY

Mr. DENISON. Mr. Speaker, at a meeting of the Mississippi Valley Association recently held in St. Louis, Mo., the Secretary of War, Mr. Hurley, delivered a very enlightening address on the progress in transportation. I would like to have unanimous consent to insert that address in the RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD by printing an address delivered by the Secretary of War. Is there objection?

Mr. KVALE. Mr. Speaker, reserving the right to object, a little while ago a Member was denied the privilege of inserting his own remarks in the RECORD. I do not want to object to the request of the gentleman from Illinois, but I am wondering whether the gentleman from Pennsylvania has conferred with the other Members of the House and is going to renew his request to-day.

Mr. BEEDY. Mr. Speaker, the gentleman is just a little previous. The gentleman from Pennsylvania has very courteously submitted his manuscript to me; and, having read it, I am very glad to withdraw my objection.

Mr. JONES of Texas. Is the gentleman on the board of censors?

Mr. BEEDY. Not at all, but I am eager that nothing in the contemplated speech convey the impression that the gentleman from Pennsylvania is about to speak for the Committee on Banking and Currency, of which I am a member. The gentleman from Pennsylvania has very graciously offered to say that he represents himself alone, and does not attempt to speak for anybody else.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DENISON. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the address of Hon. Patrick J. Hurley, Secretary of War, before the Mississippi Valley Association in St. Louis, Mo., November 24, 1930.

The address is as follows:

PROGRESS IN TRANSPORTATION

I am happy to meet with the Mississippi Valley Association on this occasion. This organization has taken a conspicuous part in advancing the systematic, uninterrupted improvement of our inland waterways system. The plan for developing and putting into operation an inland waterway system of 9,000 miles was outlined more than six years ago by Herbert Hoover. Since then he has coordinated the work of the Corps of Engineers, which is now systematically carrying the plan into effect. The work is being vigorously prosecuted and the system outlined by the President will in a comparatively short time be a reality. The plan contemplates a connected, coordinated waterways system that will provide arteries for economic transportation through the center of our country. The system will provide a line north and south on the Mississippi from St. Paul and Minneapolis to New Orleans. Another line will run east and west from the mines and mills of the Pittsburgh region to the granaries on the upper Missouri. The Mississippi will be connected with the Great Lakes through the Illinois waterway.

Inasmuch as we are discussing now only the Mississippi system we need not detail here the plans for the intracoastal canals, the outlet from the Great Lakes through the St. Lawrence, or the New York Canal—or the proposed development of streams on the Pacific slope.

The principal tributaries will be improved out as far from the Mississippi as sound economics and sound engineering will justify. As a part of the development of the Mississippi transportation system there is being carried into effect the flood-control program for the protection of the alluvial valley of the Mississippi against disastrous floods.

THE PRESENT PROGRAM

Congress, by act of July 3, 1930, authorized a program of waterway improvement in line with this policy. The more important of the improvements so authorized were:

(1) A 9-foot channel in the Mississippi River from Minneapolis to St. Louis, with widths suitable for long-haul common-carrier service and with locks of standard Ohio River dimensions.

(2) The completion of the Illinois waterway, now under construction by the State of Illinois. This will provide the last link in a 9-foot channel between the Great Lakes and the Mississippi system.

(3) The improvement of the Tennessee River from Knoxville to its mouth to afford 9-foot navigation with provision for the coordinated development of power.

In addition the act authorized modernizing and improving navigation on the Monongahela, the Allegheny, the Kanawha, the Cumberland, the Green, and Harren Rivers, and the canalization of the lower reaches of the Youghiogheny (Yokagany) River.

Authorized expenditures on the Mississippi River, between Minneapolis and the mouth of the Illinois, were limited to $7,500,000 in addition to prior authorizations, and on the Tennessee, $5,000,000. It is fully understood that the cost of the ultimate 9-foot channel on these streams will amount to many times these authorizations and will take time.

PUSHING THE WORK

The authorized expenditures will, however, permit the initiation of the work. Pending the appropriations for further expenditures work is being directed to the improvement of the worst places in the present channel so as to put the whole system in operation at an early date. It will be carefully coordinated with the final accomplishment of the 9-foot project on correct engineering lines.

The authorized expenditure on the Illinois waterway is $7,500,000. This sum should complete the project.

The authorized expenditure on the improvement of the Missouri River, between Sioux City and Kansas City, was increased by $15,000,000, with the intention—by Congress—that this sum be expended in three years.

Without further detailed description it can happily be said that in the last river and harbor act Congress has authorized a program of interior-waterway improvement in general accord with the development plan of the President. We must not close our eyes to the fact that the execution of the program will cost large sums. The work will be done as rapidly as sound engineering and sound economics will permit and as funds necessary are made available by Congress.

Some discussion has arisen in regard to the ultimate channel depths. Our plan is to put the system in operation and continue to improve the channels until they have reached their ultimate feasible depth.

The improvement of the Mississippi waterways is now the major item in our river and harbor work. It is, however, but a part of the river and harbor improvement program essential to the proper development of our Nation's commerce. The improvement of our seacoast harbors, of our system of intracoastal canals, of the Great Lakes, and of the St. Lawrence, so far as now authorized, must be prosecuted simultaneously with our interior rivers.

So much for the future. Let us look at our present accomplishments.

WATERWAYS' GREATEST YEAR

The year now drawing to a close has witnessed the greatest activity in river and harbor improvement and in flood control in the history of our Nation.

The Ohio River was opened up last fall for 9-foot navigation throughout its length. I decry the idea that it is completed. It will never be completed in the sense that we can discontinue work and leave the river to develop its own usefulness. Nevertheless, because of the accomplishment of the lock-and-dam project, navigation on the Ohio, in this year of the great drought, has been eminently satisfactory. Were it not for the millions spent on these locks and dams not a barge could have moved down the Ohio for months during the past summer and fall.

The improvement of the Missouri, to obtain a dependable 6-foot depth, is the most daring effort in river regulation that has ever been undertaken. This winding and shifting, silt-laden stream is gradually being stabilized by revetments and dikes. The work accomplished justifies the high hopes for the success of the undertaking. A 6-foot channel in the Missouri from its mouth to Kansas City will soon be a reality.

Priority on the Missouri has thus far been given to the improvement below Kansas City. This procedure is in accordance with the accepted principle of extending the branches out from the trunk. We must not revert to the haphazard practice of improving isolated sections of a river. A steadily expanding, continuous, and consecutive development is the demand of the Nation. The time will soon come, however, for actively extending the project above Kansas City.

The improvement of the Illinois River is proceeding satisfactorily and it will be ready before the Illinois waterway, linking it to the Great Lakes, can be completed. Preparations are made to press the latter work as soon as funds are appropriated or made available for the purpose.

On the Mississippi the great drought has resulted in exceptionally low water. Despite the untiring efforts made to keep the channel open to the full project depth, navigation conditions have not been up to standard. The difficulties confronted have given us better equipment with which to surmount them.

Plans are being completed for additions to the dredging fleet. This fleet will be modernized and expanded. The regulating works between St. Louis and Cairo will be further extended to meet the unusually low-water conditions.

All installations on the upper Mississippi are being built for an ultimate 9-foot channel. The 6-foot channel will not be abandoned but will be kept in operation in connection with the entire Mississippi system until the 9-foot channel has been completed. The Hastings Dam, authorized by previous legislation, is practically completed. This dam will remove the unsatisfactory conditions that have prevailed in one of the most difficult portions of the river. The Twin City Lock and Dam has been restored and is now in operation.

Navigation on the Allegheny River is being extended by the construction of Locks and Dams Nos. 7 and 8, which are being vigorously prosecuted.

OPPOSITION RECOGNIZED

There are those among us who are not in favor of the expenditure of such great sums in the improvement of our inland waterways. They include notable and distinguished men and able economists who claim that there is no justification economically or by precedent for such use of Government funds. Some claim it to be a misuse of the public moneys and a practical manifestation of socialism in one of its most dangerous aspects.

There is plenty of precedent for governmental financing of inland waterways development. Tremendous subsidies were granted to the railroads in their infancy by the Government. Federal funds were given to the extension of our merchant marine and to the development of civil aviation. The creation of our great automobile industry was made possible by the building and maintenance of a vast network of highways and roads by the States and National Government.

RAILROADS GREATEST GOVERNMENT BENEFICIARIES

All of these national systems of communication and transportation have received the generous support of our Government during the periods when they were still untried and were struggling to live and develop.

As a matter of fact, our railroads would never have survived without such assistance. More than any other form of transportation, they leaned on the kind shoulder of a friendly Federal Government and farsighted people.

LAND GRANTS TO RAILROADS

Long stretches of the public-land domain were freely bestowed upon the railroad companies that build our great railroads. The total land grants reached the colossal figure of 155,504,000 acres. If anyone finds that total incredible I can supply him with the figures in detail of the acreage given to each railroad.

To make up this tremendous acreage of gift land, some of the Middle Western States gave as much as one-sixth of their total area. One gains some idea of the extent of the gift land when he considers that it equals almost twenty times the area of the State of Massachusetts.

FINANCIAL AID GIVEN RAILROADS

The financial assistance given by the Federal Government equaled the land grants in generosity. In the case of two roads alone Congress granted the national credit in the form of 30-year 6 per cent bonds to the amount of $64,623,512.

In addition to Federal aid, amounting to hundreds of millions of dollars, the census of 1870 showed that counties, cities, and towns had outstanding bonds issued in the assistance of railroads to the amount of $185,000,000 after many had been retired.

All of these amounts do not include the numberless grants of rights of way, terminal facilities, docking privileges, and other aids furnished by practically all the counties and towns of the United States.

GOVERNMENT TROOPS BUILT RAILROADS

Nor should it be forgotten that thousands of Federal troops labored on the construction of our first transcontinental railroads, while regiments of their fellows guarded them at their work. Fort Francis E. Warren, Wyo., is typical of the frontier posts that were strategically situated to aid the railroads. Situated near Cheyenne on the natural road across the continent, it was an ideal location for a protective garrison and supply depot for the railroad workers. Army engineers worked on the surveys, soldier backs bent to pick and shovel work on the roadbeds, Army rifles and sabers protected the lives of those engaged in laying the ribbons of steel across the continent.

General Sherman was only one of the great soldiers who lent his practical aid to the transcontinental railroad project. Personally he made many deep reconnaissances of the country ahead of the advancing rails. At personal hazard he went over the vast reaches of the buffalo country from north to south and east to west. He did invaluable missionary work among the Indians by urging them to become resigned to the inexorable onward march of the iron road. "You can not stop the sun or moon" he told them, and it is estimated that this one sentence of his did the work of 20 Cavalry regiments. It was at Sherman's suggestion that a new

military department was constituted in March, 1866, with headquarters in Omaha, especially to protect and assist the construction of the railroad.

THE PEOPLE PAID THE BILL

It might, without exaggeration, be claimed that "Sherman's Army" linked with bands of steel the Atlantic with the Pacific. The builders of the Union Pacific were, almost to a man, ex-soldiers of the Union Armies. The chief engineer was General Dodge, one of Sherman's old corps commanders. The success of their task was made possible by the advance guard of regular troops who cleared and guarded the route. In General Dodge's memoirs we are reminded that the first exploring party to reconnoiter the possible routes across the mountains for a railroad was one sent out from San Francisco in 1849 at the then Lieutenant Sherman's suggestion—almost exactly 20 years before the last spike was driven home in the completed route.

It is seldom remembered that Army engineers helped to project, build, and operate many of the older railroads. They located, constructed, and managed for a time the Baltimore & Ohio; the Northern Central; the Erie; the Boston & Providence; the New York, New Haven & Hartford; and the Boston & Albany. When called upon to assist in the building of the great transcontinental roads they repeated their brilliant performances in the construction of the earlier roads. While engaged in this work they were not paid by the railroads but by the people of the United States, who likewise supported the Cavalry regiments whose protection made possible the laying of the transcontinental roads.

A PROVEN PUBLIC POLICY

No one contends that all these Government aids or subsidies were bad public policy. They sometimes took the form of extravagance and sometimes were misdirected, but we have never complained about them. The result was worth all the cost. The United States needed the railroads, the railroads needed help, and the Government was willing to help them. They were part of the picture of a bigger, brighter future. They were entitled to assistance, just as our early canals and post roads warranted Government support.

For the same reasons the Government has generously supported the development of our present vast network of highways. The automobile was destined to become a tremendous factor in our national life. The development of the automobile industry and its kindred industries depended upon the building of good roads. The latter were as essential to the automobile industry as rights of way are to the railroads. So the Government and the people subsidized the automobile industry by voting money for hundreds of thousands of miles of highways. In 1924 the amount of money spent by our Federal, State, and county Governments on road building reached the enormous total of $1,000,000,000 a year and has exceeded that figure for each year since. In 1929 the State governments spent $1,444,000,000 on highways, exclusive of bonds. Since 1925 the Federal Government has contributed $75,000,000 a year to the several States for the building and maintenance of roads. This fiscal year the amount was increased to $125,000,000.

The automobile industry has responded to this indirect governmental support by increasing its production from a few thousand cars a year to over 5,000,000 units in 1929. When, 25 years ago, we had only 155,000 miles of improved road in the United States we had fewer than 25,000 automobiles. To-day, with 600,000 miles of improved highway and 500,000 of usable dirt road, we have over 26,000,000 motor vehicles. Gasoline taxes are to-day supplying great sums for the roads, but the hundreds of millions of dollars committed to ambitious road projects by the Government over a period of years brought the infant automobile industry to its present huge proportions and made the motor a great factor in the transportation system of the Nation.

ALL FORMS OF TRANSACTION HAVE HAD HELP

Our Government has, too, granted millions of dollars, in the form of mail subventions, to the support of our merchant marine. The object of the first law authorizing mail subventions was to aid American ships to meet the competition of the Cunard Line, which was heavily subsidized by Great Britain. Beginning in 1847 the Government awarded mail subventions to the New York-Bremen Line to the amount of $2,000,000; to the New York-Havre Line to the amount of $750,000; to the New York-Liverpool Line to the amount of $4,500,000; to the New York-Panama Line to the amount of $2,900,000; to the Astoria-San Francisco-Panama Line $3,750,000; to the Charleston-Habana Line $500,000; to the Pacific Mail Steamship Co. $4,583,333. These mail subventions or subsidies have been continued under the ocean mail act of 1891, and the Federal Government has thus contributed over $83,000,000 "to aid the development of a merchant marine adequate to provide for the maintenance and expansion of the foreign and coastwise commerce of the United States," as the words of section 24 of the merchant marine act put the purpose of the expenditures.

Our new system of air transportation is receiving similar assistance from the Government. Since 1926 the Federal Government, through the Department of Commerce, has expended over $8,500,000 in establishing about 15,000 miles of airways with landing fields conveniently located and lighted. In addition, it is spending over $5,000,000 a year for the maintenance of these fields, and has just let air mail contracts totaling over $15,000,000 to assist the expansion of mail and passenger air transport.

The Government has played no favorites in its support of our various transportation systems. It recognized them all—railroads, waterways, ocean and air lines as indispensable in the scheme of national development. Each system has its own mission in which it supplements all of the others.

RAILROAD ARGUMENT REFUTED

Recently one of the most outstanding railway men of our time was quoted in the newspapers in opposition to the Government plan for the development of inland waterways. He is a man who has rendered meritorious service to the Government and whose character and attainments are unexcelled. I quote him not for the purpose of criticizing him, because his statement, in my opinion, represents the clearest and most reasonable attitude of the opposition to the development of waterways that I have read. The gentleman to whom I refer is Mr. Daniel E. Willard, president of the Baltimore & Ohio Railroad.

Mr. Willard said:

"We may well question the propriety of Government investments of money that has been raised by taxation from all the people in facilities for carrying freight upon the inland waterways in competition with the railroads at rates that are in no sense remunerative."

That argument is the same as was made against the railroads themselves more than half a century ago, when the Government was giving land and spending money lavishly to enable the railroads to achieve financial success and to put them in a position where they could be operated successfully by private enterprise

Mr. Willard is also reported to have said:

"I recognize that much may be said in support of a policy whereunder the Government will spend money raised by taxation for deepening and improving the rivers so that they can be made navigable, but having done that, and then having made such facilities available for service practically free of cost, if private capital will not or can not operate boat lines on such waters on a basis to justify private investment, then I submit that such operation by the Government is economically unsound and can not be defended from any fair and reasonable standpoint and ought not to be continued."

The condition which Mr. Willard so ably describes brought about the organization by the Government of the Inland Waterways Corporation. This corporation was instituted for experimental purposes. Its chief object is to design craft that can successfully operate on our inland streams. The power boats and the barges designed and built under the direction of that corporation are for the purpose of ascertaining the kind of craft that will carry the heaviest load in the shortest time and at the lowest cost; that is to say, that the Government is striving to ascertain the most economical craft for operation on the inland streams. The answer to Mr. Willard's argument lies in the fact that on the Ohio, the Black Warrior, and portions of the lower Mississippi private lines are now profitably operating. On some portions of the Mississippi River and on the Black Warrior the Inland Waterways Corporation is already operating at a profit. I have on another occasion outlined conditions on the achievement of which the property of the Inland Waterways Corporation will be for sale to private enterprise. The Government does not intend to stay in the transportation business after it has succeeded in doing for waterways what it did in years past for the railways. Transportation is the life of commerce, and commerce is essential to progress and civilization. The commerce created by waterway transportation will add to the general prosperity of the railways.

RAILROAD FEARS NOT JUSTIFIED

The railroads are not justified in looking upon the development of our inland waterways with fear or enmity. Any plan that brings the ocean front nearer the heart of the continent and connects it with improved navigation on our inland rivers will never work to the disadvantage of our national railroad system. Water highways have their own economic mission. They can move bulk freight more cheaply than any other means of transportation. The cheap transportation of bulk freight and raw materials means the furthering of our industrialization. The expansion of our industries means increased quantities of finished and fabricated products. The railroads will always remain the carriers of these products of industry. It means increased business for the railroads when the cities on our rivers begin the construction of wharves and terminals to handle heavier freight. River-rail terminals mean the transfer of freight from boats to trains. Rail-and-water transportation are supplementary, not competitive. Whatever high state of development water transportation may reach, the railroads will remain the backbone of our national freight-transportation system. As they feed tonnage to the barge lines, to the same degree will they receive tonnage from them.

ALL TRANSPORTATION FORMS NEEDED

The future development of the Mississippi Valley alone will tax our pooled transportation facilities to their utmost. When we have made this great valley safe from floods and given it a cheaper means of transporting its goods to market, it will be just entering upon its period of greatest development. Rivers, highways, air lines, and railroads will find the volume of its freight as much as they can handle. As our population increases the railroads will, of necessity, turn to the carrying of freight demanding expeditious delivery. The work of transporting raw materials, fuel, and heavy bulk commodities, the value of which is not affected by relatively slow delivery, must then be left to other carriers. The waterways will fulfill that function without detriment to the railroads.

We must seek the coordination of railroads, waterways, highways, pipe lines, and airways. The Nation's increasing industrialization demands all these. It will support all of them, and the closer they are coordinated the more will they prosper, each in its own domain.

In addition to all this argument, much of the development of inland waterways, especially in the Mississippi system, must be

carried on for flood control and for the protection of the lives and property of the people who reside in the valley. It would be economically unsound to do this flood-control work without using it as far as possible to stabilize the streams for transportation purposes.

While we are taking this opportunity to justify our support of inland waterways development, we do not forget that you are equally interested in the problem of flood control. That problem is vital to the millions of our citizens whose homes are made and whose lives are lived in the great valley of the Mississippi and its tributaries.

IMPORTANCE OF FLOOD CONTROL

The past year has been one of unparalleled activity in the prosecution of works of flood control. Levees on the main river are being strengthened, raised, and rebuilt where necessary because of the danger from caving banks. The revetment program has been actively carried on. The Bonnet Carre spillway, which will relieve the great city of New Orleans from any fear of high-water disaster, is nearing completion. Construction of the Birds Point-New Madrid floodway is progressing. The city of Cairo is better protected than ever before in its history. A large and long-continued flood was safely passed within the levees in the spring of 1929.

Surveys of all of the principal tributaries of the Mississippi to determine the best ultimate coordinated plans for flood control, navigation, irrigation, and power development are being actively prosecuted. The results are already beginning to come in, and all of these studies and reports will be completed in the near future. They will afford a vast fund of information to guide our future efforts.

I do not want to discuss at length the proposed plans for flood control until the final report of the engineers on that subject has been completed. The several systems of flood control on the lower Mississippi that have been submitted for approval have all had excellent features, but no one system yet devised can claim to be practical or feasible in its entirety. It is likely that no one of these systems, as originally proposed, will ever be built, but it is certain that from the best features of all of them will be evolved a practical, efficient system of flood control that will end the terror of the menacing waters.

UNEMPLOYMENT RELIEF

Especial effort has been made by the War Department, in accordance with the expressed wishes of the administration, to assist in relieving the present unemployment and depression in industrial activity. To this end operations and expenditures are being maintained at an even greater rate than during the corresponding periods of the last fiscal year, which were the greatest previously of record. In the prosecution of work consideration is being given not only to the urgency of the individual project but also to the economic situation in the particular area involved. The working program of the department has been arranged to insure that existing employees are retained and additional employment is provided where possible. This increased activity in river improvement and flood control will cause the administration to ask the next Congress to appropriate additional funds for this work in the form of a deficiency appropriation.

Your organization has shown faith in internal waterway improvements. I share that faith. I look forward to the time, at no distant day, when a coordinated waterway system throughout the valley will be moving the products of the fields, the mines, and the factories, with great economic benefit to the Nation.

ALLOTMENTS FOR RIVER AND HARBOR IMPROVEMENTS IN TEXAS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter from the Chief of Engineers showing the allocation of funds under the emergency appropriation bill to the ports of Texas.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD by printing a letter from the Chief of Engineers. Is there objection?

There was no objection.

The letter is as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C., December 17, 1930.

Hon. JOSEPH J. MANSFIELD,
House of Representatives, Washington, D. C.

MY DEAR MR. MANSFIELD: In accordance with your request, I take pleasure in listing below the allotments for river and harbor improvements within the State of Texas, upon which the emergency estimate of twenty-two and one-half million dollars for such work is based:

Houston Ship Channel, Tex	$954,000
Texas City Channel, Tex	100,000
Aransas Pass-Corpus Christi Channel, Tex	515,000

Very truly yours,

LYTLE BROWN,
Major General, Chief of Engineers.

FARM RESOLUTIONS APPROVED

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the declaration of principles adopted by the American Farm Bureau Federation at its recent convention in Boston.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RAMSEYER. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following resolutions approved at the Twelfth Annual American Farm Bureau Federation Convention, by voting delegates at Boston, December 10, 1930.

The resolutions committee included E. A. O'Neal, president Alabama Farm Bureau and vice president of the American Farm Bureau Federation; Charles E. Hearst, Iowa Farm Bureau president; George B. Putnam, New Hampshire Farm Bureau president; R. W. Blackburn, California Farm Bureau president; C. R. White, New York Farm Bureau president; Earl C. Smith, Illinois Agricultural Association president; and W. H. Settle, Indiana Farm Bureau president.

Chester H. Gray, director American Farm Bureau Federation, legislative department, acted as secretary, while Mr. O'Neal was chairman.

REAFFIRMATION

The policies of the American Farm Bureau Federation heretofore expressed in annual meetings are reaffirmed, and unless repealed herein or inconsistent herewith are declared to be in full force and effect.

AGRICULTURAL MARKETING ACT

We renew our previous pronouncement in support of and cooperation with the Federal Farm Board in its efforts to administer the agricultural marketing act. The Federal Farm Board has wisely established a number of national commodity sales agencies and correctly refuses to create more than one such agency for any one commodity. It is equally important that competitive regional agencies be not established. As necessity arises it is expected that national sales agencies will be created for other commodities.

The stabilization activities of the Federal Farm Board in wheat and cotton have demonstrated the usefulness of this feature of the agricultural marketing act. However, these activities should be extended into more crops, not alone those which have great surpluses but others which can be aided by the use of lesser portions of the revolving fund. A revolving fund of whatever amount necessary for stabilization and other activities should be made available by Congress.

The agricultural marketing act has not been operating long enough from an administrative standpoint to indicate exactly the nature of the amendments which might be proposed to improve it. Surely any amendments proposed now or in the future to harm that act, to make it ineffective, or to reduce the size of the revolving fund, will meet with our sternest opposition. We expect the time will come when amendments to it will be necessary to make the tariff more effective and to dispose of surpluses more advantageously. When that time arrives all friends of agriculture should stand together so that the amendments will strengthen rather than weaken the law. The act when amended should be amended by its friends, never by its enemies.

REGULATORY LEGISLATION

Congress in enacting the agricultural marketing act specified that the minimizing of speculation in farm crops is one task to be accomplished. To aid the Federal Farm Board in its efforts to minimize speculation, to secure what farmers long have desired in this matter, and to authorize and direct the Secretary of Agriculture in a broader exercise of powers over grain and cotton exchanges, amendatory legislation is required. Members of exchanges should be licensed by the Secretary of Agriculture; limitations upon short selling should be invoked; rules and regulations of exchanges should be subject to approval by the Secretary as well as being initiated by him when necessary to protect the public welfare; and authority to close or suspend such exchanges should be vested wholly in the Secretary of Agriculture.

DROUGHT RELIEF AND UNEMPLOYMENT LEGISLATION

Funds to be used as loans to farmers in the buying of feed for foundation animals, fertilizer, and seeds in the drought-stricken areas should be made immediately available.

We commend the intents, purposes, and policies contained in the recent message of the President to Congress wherein is outlined complete plans for drought and unemployment relief. We express our willingness to continue to cooperate with all other agencies to restore national prosperity.

WATERWAYS

We urge the present session of Congress to make such appropriations as will insure the immediate carrying out of the development of projects authorized in the river and harbor act of 1930 in accordance with the specific provisions of that act.

RURAL CREDITS

Agriculture should have credits as easily available to it and as adjustable to varying economic conditions as other groups have in the Federal reserve system. More than ever the farmers of the United States now feel the need of an operative and elastic rural-

credit system. Such a system can not be said to be efficient if it serves agriculture only when credits generally are easily available. The acid test of rural-credit efficiency is given in times of stress when ordinary credits are tightened. Realizing that the Federal Reserve Board can be of great assistance in supplying agricultural credits we request that the representation of agriculture in the membership of that board, as provided for in the Federal reserve acts, be brought to the attention of President Hoover now that vacancies exist in the board. The representation of agriculture on this board should be men who understand the need for rural credits, who are interested in keeping the circulating medium of the Nation distributed equably and in accordance with seasonal requirements; who will endeavor to use the discounting privileges resident within the powers of the board so that availability of credits will be equalized in the Nation, speculative use of money discouraged, concentration of wealth retarded, and stability in the purchasing power of the dollar more nearly effected.

We advocate the creation of an ample revolving fund in the Federal Treasury to be used exclusively to stabilize Federal land-bank bonds. We believe the Federal farm-loan system has failed to meet rural-credit needs largely because of the manner of the administration of the law. Should amendment be necessary to remove certain of the present limitations of administration we pledge our support in securing changes necessary to the end that the law may and will function as was intended by the framers of the act.

We recommend the immediate appointment of a committee to make a study of and report upon the possibility and feasibility of the further development of cooperative rural-credit systems.

TARIFF

Any effort before the Tariff Commission or elsewhere to lower the rates recently secured on farm commodities will be resisted by us in every legitimate way. We realize that importers and American capital invested abroad will endeavor to break down the rates on farm commodities, now that they have become in many instances effective in keeping the American market for the American farmers. We urge our officers to put forth every effort to secure the greatest benefits possible under the flexible provision on every farm commodity which meets foreign competition in our markets. Efforts improperly to classify imported farm products in the raw state or in the manufactured form so as to secure the lesser of two possible rates will require constant watching. We will continue our efforts to secure adequate rates on commodities like vegetable oils, starches, sugar, dried egg products, and hides. All of these are financed abroad partly or wholly by American capital, and entry is granted into our markets free or at low rates of duty, thus denying the American farmer who produces commodities competitive to them, either directly or indirectly, the home market. We ask protection for American farmers in the American markets against Philippine products, pending the granting of independence to the Philippine people.

TARIFF ON PULPWOOD

The sale of rough wood for pulp-making purposes by many farmers offers an opportunity of income in many parts of our Nation. The rates of duty on pulp and pulpwood are inadequate to permit the profitable sale of pulpwood under present conditions. Accordingly we recommend an increase in these rates.

PRESERVING THE NATURAL RESOURCES

The natural resources such as navigable streams, water power, forests, the soil, coal, oil, and the air, together comprise a heritage for the people of our Nation and for their posterity. Again we state the position of our organization as being opposed to the control and exploitation by corporations or otherwise of these natural resources and insist that all grants for their use by authority of State or Federal Government should contain provisions so that the public welfare shall be thoroughly guarded. We have formerly asked that governmental inquiry be made into the growth and methods of capitalization of public-utility corporations supplying electrical energy in the form of power or light. This investigation has made much progress under the administration of the Federal Trade Commission. Our record is clearly one which opposes the acquisition of what is perhaps the greatest natural resource, water power, by monopolistic groups with privileges of lease and operation virtually perpetual in nature. We have insisted that the Federal water power act be so amended that the former 99-year lease provision with almost automatic renewal to the same corporation be changed so that the public welfare will be more adequately safeguarded. This has been done by Federal legislation. Whenever a corporation is granted lease to operate a natural resource, a limitation of earnings above the statutory amount to be paid to the Federal Government. We request President Hoover to appoint special counsel to defend the recently revised Federal power act and various of its provisions which are being attacked by applicants for permits and licenses to construct hydroelectric establishments.

MUSCLE SHOALS

We favor such disposition of this project as will get the most fertilizer for agriculture, will retain title in the Government of the United States, will use all the power necessary at Muscle Shoals for making fertilizers, and dispose of the remainder so as to benefit agriculture and preserve the public interests.

The board of directors of the A. F. B. F. is hereby authorized and directed to take such steps as are necessary to set up a committee truly representative of agriculture, authorized to develop and organize a corporation the purpose of which would be the leasing and operating of Muscle Shoals on a cooperative basis embodying all the aforesaid principles, and so as to preserve the property in times of peace for agriculture and in times of war for the United States.

FUNDS FOR AGRICULTURAL EXTENSION

Cooperative marketing and the economic problems of agriculture have been recognized by and incorporated in such Federal laws as the cooperative marketing act. All representatives of the Federal Government, therefore, should not only feel free to but should cultivate the desire to advance the economic and cooperative marketing program of agriculture. With this end in view, we strongly urge Congress immediately to provide ample funds with which to cooperate with State, county, or membership funds in furthering agricultural extension work in order that the official representatives of this work may be removed from local influences antagonistic to cooperative marketing and may be correlated with the work of the Federal Farm Board and of farm organizations.

The land policy of our Nation has been until recently one exclusively devoted to bringing new areas into production. That policy should now be modified to discover ways and means by which land can be taken out of production. An effective way to reduce the acreage of our staple farm crops is to plant submarginal farm lands in forests. Another method is the expansion of areas in public parks, which will not only reduce productive areas but will furnish national playgrounds for our population. Grazing areas might well be increased. A national forestry program is outlined in the McNary-Clarke, the McNary-McSweeney, and the McNary-Woodruff Acts, which, taken together, provide for repossession of marginal lands, research in forestry matters, and acquisition and planting of additional forest areas. This program, however, is inoperative to the extent that appropriations are not available to carry it forward. We accordingly advocate all appropriations necessary to put into effect the forestry program of these three acts. We urge cooperation between Federal and State Governments in this work. Attention is called to the necessity on the part of State governments of removing the tax burden on forest areas until they become productive. Initiative in forestry matters by private agencies is recommended. The protection of forest areas from fire to be secured by the building of forest trails and roads is also urged.

All matters relative to or affected by land or reforestation policies should be placed in the United States Department of Agriculture.

ENGINEERING EXPERIMENT STATIONS

We urge the enactment during the present session of Congress of the McNary-Haugen engineering experiment station bill, which contains provisions for establishing engineering experiment stations in connection with the land-grant institutions in all States under terms and provisions similar to those which established the agricultural experiment stations.

STABILIZING THE UNIT OF VALUE

We recommend to President Hoover the appointment of a commission to be composed of farmers, bankers, economists, and representatives of other groups to study plans and report thereon to Congress to stabilize the value of the dollar so that periods of depression and inflation can be in future more definitely guarded against.

PATENT LEGISLATION

We favor legislation which will require that the owners of a patent issued by the United States Government shall produce the commodity covered by such patent in our Nation in quantities to meet American requirements.

POSTAL AFFAIRS

We favor the policies of the Post Office Department, recently announced, which in large measure are identical with those advocated by the American Farm Bureau Federation for several years. The problem of efficiency and economy in postal matters; the adding to volume of business as a method of bringing in revenue rather than increasing the rates on heavier classes of mail; the elimination of too frequent city deliveries; the consolidation of rural and city routes wherever possible; and the elimination of public-service charges from the deficits which the Post Office Department formerly has had; all are developments which will, in time, if not immediately, place the department on a self-sustaining basis. We, however, doubt that the proposed one-half cent per ounce increase in rate on first-class mail, the destination of which is beyond the point of mailing, and the frequently proposed increases in parcel-post rates, are in keeping with the other policies of the department which stress increased volume rather than increased rates. We particularly appreciate the establishment of a director of parcel post who shall devote the entire energy of his organization to the development of more parcel-post business.

BUTTER SUBSTITUTES

The increasing use of imported vegetable oils is very harmful to the dairymen, to the producers of our vegetable oils, and to our animal industry. We favor Federal legislation which will require the payment of the Federal tax on any and all oleomargarine products made in the form or semblance of butter, whether or not such oleomargarine is colored artificially or naturally. We urge the use of butter instead of oleomargarine in Federal and State institutions.

TRANSPORTATION MATTERS

Voluntary action of the railroad executives in granting reduced freight rates on livestock and feed for the benefit of approximately 1,000 drought-stricken counties is greatly appreciated. The Hock-Smith resolution continues to be, in our judgment, the most equitable basis upon which foreign rates on farm commodities can be based. We advocate a continued study of the general economic influence of consolidation of railways before such consolidation too generally is put into effect by Federal legislation.

RADIO

Agriculture occupies such an important economic place in national affairs that it is justified in asking an allocation to it by the Federal Radio Commission of such wave length or lengths, cleared channels, and power as are necessary permanently to preserve its rightful interests on the air.

COMMENDING SECRETARY ARTHUR M. HYDE

We commend Secretary Arthur M. Hyde, of the United States Department of Agriculture, for his promptness and courage in calling public attention to the depressing price effects of recent short-selling wheat on the Chicago Board of Trade. His record as Secretary and ex officio member of the Federal Farm Board has been one of statesmanlike approach to all questions of agricultural interest, and his knowledge and sympathy for the welfare of the farmers of our Nation is appreciated. It is a pleasure to work with a public official who is fearless in his advocacy of agricultural betterment.

EDUCATION

Equality of opportunity is a national guaranty under the terms of the Constitution. To make this guaranty fully effective in matters of elementary education requires that the immense wealth of the entire Nation contribute to the education of the child in the least-favored community. Methods of Federal aid for various other well-established projects having demonstrated their usefulness and practicality should be followed in this enterprise, and no new and untried plan of projecting the Federal Government into the educational field should be experimented with.

TRUCK AND BUS REGULATION

It is evident that Federal regulation of motor busses and trucks which qualify as common carriers and do interstate business will soon be enacted. The traffic of busses and trucks on our publicly built highways has developed to such proportions that public interest and public safety require regulatory legislation. The length, width, weight, speed, rates, and services of these modern commercial vehicles all need to be subject to control by a proper Federal law.

However, legislation and regulations of the Federal Government should not be so stringent as to remove the competitive features between the older and newer forms of transportation, which the present system is now thought to secure. No single Federal agency should be permitted such latitude of administrative and regulatory control as to place all transportation on the same basis as to rates and services. Agriculture needs to use the newer and more economic method of transporting its products to the railroads and to the markets, both local and terminal, and to the rapidly developing river systems of our country.

CHILDREN'S BUREAU

We insist that the Children's Bureau remain in the Department of Labor.

CONSTITUTIONAL AMENDMENT REGARDING ALIENS

We favor an amendment to the Constitution excluding aliens from being counted in making up apportionment of Members in the lower House of Congress.

FARM WASTES AND INDUSTRIAL OUTLETS

It is a consummation much to be desired that not only farm wastes but salable farm products should find industrial outlets in our own Nation as well as abroad and so have access to markets other than those furnished by the animal and the human stomachs. The surplus question is one which for its proper solution demands that these commodities be disposed of in larger amounts industrially. It needs to be pointed out, however, that great difficulties are encountered in establishing industrial plants within our continental boundaries to provide outlets for these wastes and products when competitive industrial products, made from foreign wastes and farm products and financed in many instances by American capital, have access to our markets too freely.

It is idle to speak about developing such industrial markets in our Nation so long as this condition exists. It must also be recognized that ignorance of the desperate necessity to get additional markets for our agricultural products through the industrial route causes, sometimes even among our own citizens, conflicts which prevent the rapid development of industrializing the market for such products. Among the prominent industrial products which should offer great avenues for marketing our wastes and our crops are: Starch from such crops as corn, wheat, rice, and potatoes; dried-egg products from our seasonal surplus of fresh eggs; alcohol from the lower grades and damaged quantities of grains and potatoes; wall board from cornstalks and similar fibrous material; casein from fluid milk and sugar from the corn plant. We specifically request that all departmental regulations which limit the use of corn sugar be repealed. The foreign competitive products which prevent much of the above-described development are tropical starches from Java and equatorial countries, dried eggs from China, black-strap molasses for distillation purposes from Cuba, and vegetable oils from the Philippines and elsewhere. A national laboratory to discover new uses for farm wastes and to develop industrial outlets for farm products should be established.

PREDATORY-ANIMAL ERADICATION

The expenditure of Federal and State appropriations in annual amounts only sufficient to exterminate predatory animals and rodents approximately as rapidly as their natural increase is an unwise use of public funds. The 10-year program of control and eradication as outlined in the contemplated program of the United States Department of Agriculture should immediately be put into effect.

TAXATION

We approve the report of the American Farm Bureau Federation committee on taxation, which is as follows:

The committee on taxation recommends the reaffirmation of the entire series of resolutions adopted last year with the following changes:

Amend section 3 by adding a paragraph numbered 7 to read as follows:

7. Urges the adoption of more efficient methods of assessment.

Amend section 4 by substituting for the present paragraph numbered 3, the following:

3. Supports proper control of expenditures by requiring publication of proposed budgets or bond issues before their adoption, and by permitting a reasonable number of taxpayers to appeal from proposed budgets or bond issues to State tax boards, the hearing on each such appeal to be held in the taxing district concerned.

We recommend that the officers of the American Farm Bureau Federation invite representatives of all national industrial groups and organizations to a conference to discuss the formation of a national commission on taxation, which shall study and recommend action on such problems as:

1. The coordination and reallocation of taxing powers between the Federal Government and the States.

2. Adequate recognition by State and National Governments that the benefits of education and highways are not local but are largely state-wide and national, and that the burden of their support should be equitably distributed.

3. The cooperation of all national groups in securing the proper reorganization of taxing districts and political subdivisions, in establishing control of budgets and bond issues by taxpayers, in establishing better methods of assessing and levying taxes, and in insuring the most rigid economy in the expenditure of public funds.

4. The use of taxes derived from new sources to reduce the present unjust taxes on property, especially real estate.

5. Further use of the power of the competition among the States in any Federal Government to limit unfair forms of taxation.

We further recommend that the conference consider the establishment of such a national commission on taxation on a permanent basis with funds adequate to enable it to employ a proper staff of experts for its service.

We finally recommend that the proposed conference be held in some middle western city in January or early in February, 1931.

APPRECIATION

Resolved, That this convention desires to express its deep appreciation to the city of Boston and its mayor, James W. Curley, for the generous provisions made for its entertainment and for the personal interest of his honor, the mayor.

Resolved, That to Governor Allen, to Dr. Arthur W. Gilbert, commissioner of agriculture, and to A. W. Lombard, deputy commissioner, the convention extends its hearty thanks for their parts in preparing the New England Farm Products and Agricultural Antiques Show for our instruction and entertainment and for their effective work in perfecting the arrangements for this convention. We are also grateful to the State departments of agriculture of the New England States, and especially to the Massachusets and other State farm bureaus, organizations, and individuals that have assisted so generously in making this a most pleasant and successful convention.

Respectfully submitted.

E. A. O'NEAL, Alabama.
C. E. HEARST, Iowa.
C. R. WHITE, New York.
W. H. SETTLE, Indiana.
R. W. BLACKBURN, California.
EARL C. SMITH, Illinois.
CHESTER H. GRAY, *Secretary*.

INTERNATIONAL FINANCIAL RELATIONS

Mr. McFADDEN. Mr. Speaker, inasmuch as the objection to my unanimous-consent request has been withdrawn, I renew the request at this time, namely, to address the House for 30 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 30 minutes. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, ladies and gentlemen of the House, at the outset I want to make it perfectly clear and reiterate what the gentleman from Maine has already said about the remarks I am about to make. I make them

on my own responsibility as a Member of the House, as I always do, and I am not speaking for the Banking and Currency Committee, nor am I attempting to speak for anyone else who is a Member of this body, nor have I in the past in any remarks I have ever uttered in this House attempted to convey that thought.

Mr. JONES of Texas. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. JONES of Texas. Has the gentleman agreed to delete anything from his proposed remarks?

Mr. McFADDEN. I have not. They are going to be delivered exactly as I intended to deliver them when the objection was made.

Mr. Speaker, there are times when it is peculiarly necessary for the Congress of the United States to consider from a broad and comprehensive standpoint the situation in which the country finds itself.

At such times patriotic legislators will diligently examine the multiplicity of forces that are at work and study the effect of their influence upon the general welfare and the state of the Union. It is precisely at such times that the spirit of controversy will be subordinated and partisan prejudice set aside. It is light that is needed, and its beneficent rays may be depended upon to bring satisfactory solutions and point the way to national policies upon which all parties and factions who are actuated by love of country may unite.

Such, Mr. Speaker, are the times in which we are now meeting. Their problems are not bounded by our frontiers, as they frequently were in an older day. On the contrary, the forces which are now making themselves felt in our daily lives come in large measure from without, and these distant though powerful influences are sometimes obscure and baffling because cause and effect are not clearly visible and the motives which set them in motion are not understood.

These world forces are primarily political. They fall within the purview of this body, and it is the Congress of the United States that must cope with them, and legislate intelligently with reference to them, if the United States is to control them consciously and not be drawn unwittingly into the sweep of policies determined for it from without or privately by the Government's executive branch alone.

Since the New Haven address which Secretary Hughes made in 1921, and increasingly with the passage of the years, we have been exhorted to leave the settlement of foreign problems to the economic experts. There is a school of leadership, very vocal and insistent, which points to the failure of political leadership everywhere, and asks that the financiers and economists in private life be permitted to do well what the politicians can only do badly.

So urgent have been their exhortations that they have, in fact, been given carte blanche by successive administrations to represent the United States abroad where they have wielded enormous power because the Europeans thought that they spoke for the American Government, and where they have put their mark upon the Europe of to-day as effectively as any overlord could do.

Where did the idea come from that American financiers and economic experts could properly adjust the political relationships of the European states among themselves or of those states with the United States? What type of man is there who has less interest in political principles, and less regard for political sensibilities, than the international financier?

The particular gentlemen who, in regard to postwar Europe have represented American financial prestige in the treaty settlements there, have succeeded in leaving that distracted continent in a worse condition than that in which they found it.

They proceeded on the assumption that the settlements of the treaty of Versailles were final and were to be put into integral execution, notwithstanding the fact that their own country had refused to become a party to that treaty.

In their financial negotiations the treaty of Versailles became their bible, and in their interpretations of the reparation obligations of Germany they have shown themselves more English than the English and more French than the French.

It has been their endeavor, through the successive steps of the London ultimatum, the Dawes plan, and the Young plan, to commit their own country to settlements which in their essence are no whit different from the treaty of Versailles itself. This would have been an enormous service to the allied states of Europe, for without the support of the United States they are not strong enough to enforce the unjust treaty, and a radical revision becomes necessary. They have sought by economic means to guarantee the political settlements made at Versailles, instead of inquiring whether political readjustments were not a condition precedent to economic improvement.

For this reason their activities in Europe have been worse than useless. They have without doubt complicated and entangled the international situation and perpetuated the fatal errors of the peace settlement to such an extent that no recovery has been possible in Europe.

There is not a single political wrong to whose solution they have contributed. They have assumed that there were no political wrongs in the peace treaty that must first be corrected, and they have proceeded to capitalize the blood money of a vast war tribute into billions-of-dollar bonds which they have brought home with them and offered for sale to the American people with the assurance that Europe's political troubles have been healed by their masterly statesmanship and, incidentally, that the bonds are an excellent investment for the American purchaser.

But the bonds are not an excellent investment for the American purchaser, and the American purchaser does not want them. Some other treatment must be found for the invalid than this comprehensive transfusion of American financial blood.

Mr. Speaker, the financiers and economic experts have had their turn. It is time for them to retire and relinquish the responsibility of determining the policy of the United States Government to the representatives in Congress where it belongs. [Applause.] It is time that the control of the Federal Reserve Bank of New York be taken out of their hands and that, by legislation, its activities be brought into line with a national policy which the Congress of the United States will fix.

The war in Europe profoundly altered the relationship of that continent to the rest of the world, and particularly its relationship to our own country. This fact did not become visible until some years after the war. It was consciously concealed by the European negotiators in the peace conference, and the treaty of Versailles recited the obligation of the vanquished in that war to pay $30,000,000,000 to the victors. Were the makers of that peace treaty under the spell of an illusion that Europe's pre-war wealth remained intact? That the financial settlements of that treaty as between the European states had any connection with reality?

Knowing the undoubtedly high intellectual quality of the minds of the European negotiators we can not believe it. They knew that all Europe must begin the new postwar era in dire poverty and burdened with debt; that the power of stored-up capital had passed from it.

Why, then, did they saddle upon the enemy an utterly impossible war tribute of $33,000,000,000 to be paid in annual installments over a period of 37 years?

It is a strange fact that it is only in recent years that public attention in the United States has been drawn to that provision in the treaty of Versailles which permits the allied states to offer their respective shares of the $33,000,000,000 indemnity to private purchasers in the form of bonds.

Even if discreet statesmanship did not desire to stress this provision publicly, it bears so directly on the interests of the American people, and it was such a powerful means of new postwar adjustments which concerned them, that it would seem that the American mind would have been alive to its significance.

It has, however, remained the most obscure feature of the treaty of Versailles, although its influence runs like a red thread through all the postwar negotiations.

The financial illusions upon which the treaty of Versailles were based in 1919 were accepted as realities here. Because of the energy and enterprise of the allied statesmen in presenting their case, we accepted their version of the postwar situation which followed the cessation of hostilities. As a consequence, the information coming to the Congress and to the American public was not sufficient to enable them to understand the situation in Europe.

When, therefore, Secretary Hughes in 1921 accepted the German indemnity of $33,000,000,000 as a reality and approved of the London ultimatum which imposed it upon Germany, there was no realization that a mere war mirage was being written into world law.

The fact that the London ultimatum provided that $12,000,000,000 in reparation bonds were to be immediately commercialized did not attract the slightest popular attention in the United States.

The suggestion that the settlement in Europe be left to eminent American financiers followed, and the era of the economic expert in politics was ushered in.

They proceeded to bend their efforts to making the United States a party to settlements which would permit of the reparation bonds in their billions being offered, almost exclusively, to the American investor.

It was not, however, until this year that the economic experts by the Young plan succeeded in getting into the United States with the reparation bonds. With their sale actually imminent in the United States I undertook in this House last spring to examine in the light of reality what had actually transpired in Europe at the end of the war.

It was necessary to examine the events from the preliminary agreement which brought hostilities to a close in November, 1918, to the settlements of the definitive treaty seven months later. It was found that the terms of the preliminary agreement, which in international law were binding on both sides, had afterwards been almost wholly discarded; that their terms did not permit of punitive damages, afterwards called reparations; but that, nevertheless, the most crushing tribute ever imposed after war was incorporated later in the settlements of the treaty of Versailles.

It was also found that in order to effect this the real conquest of Germany was attained in the six months following the armistice by means of a ruthless food blockade which was maintained throughout the period during which the peace conference sat. All this was done in violation of the preliminary peace agreement.

Undoubtedly, under international law, the German state to-day is not morally or legally bound to carry out the provisions of the treaty of Versailles. It is a pity that this was not perceived by our State Department in 1921 at the time of the London ultimatum, when it entangled us in the postwar mirage and implanted deeply in the minds of the European statesmen fond hopes that Europe might be reestablished through the commercialization of the German indemnity in the United States.

Even if Germany had in fact been conquered on the field of battle before the armistice, in which case the settlement would have had some elements of honesty, it would not have been a rational act for the United States to have permitted the commercialization of the indemnity among its citizens. But when, as actually happened, an unconquered enemy, giving up his arms in reliance upon the good faith of an armistice agreement, is afterwards tricked into the power of his adversary, who thereupon reduces him to unconditional surrender by the pressure of starvation and compels him to accept the burden of a colossal war tribute for 37 years, the obligation is fraudulently imposed, and the bonds which are afterwards issued are tainted with illegality.

Such are the reparation bonds of the treaty of Versailles, and it is inconceivable when the real facts of the peace settlement are known that the Government of the United States could open its doors to the sale of those bonds among the American people.

That it has now done so is wholly due to the influence through the years that a small and powerful group of our international bankers, and through them the allied governments, have been able to exercise continuously upon the policy of our executives.

Cunning, grapevine methods have placed willing agents at the head of great executive departments and in important subordinate governmental positions, and financial control of newspapers and magazines has made it possible to lead public opinion far astray.

The tangled web of deception in the treaty of Versailles was directed against the American people, who were to become the victims of the clever reparations clauses. To carry out the financial settlements it was a necessary condition that this state of deception be not disturbed; that it be made permanent and allowed to dominate the postwar policy of the United States Government. The hypnotic trance in which the paid American publicists and the political college professors have lived for a decade has enabled the international financiers to use their voices and pens to keep the political deception alive.

Because the definite allied postwar policy has been to secure the quick return from America of the gold stock lost by Europe in the war, and to secure it through application of the provisions of annex 2 to the reparation clauses of the treaty of Versailles, the perpetuation in America of the illusions of 1919 has been essential.

Systematic deception, therefore, has characterized this period, and it is because this deception is now being unmasked that the futility of the Versailles settlements are at last becoming apparent.

Before taking up the financial and economic condition that confronts us to-day, which is a part of the direct result of the Versailles settlements, I wish to review briefly the unfolding of allied policy in Europe during the past 10 years.

In 1921, when allied exasperation was wreaking senseless vengeance upon Germany because the latter refused to acquiesce in the financial settlements of the treaty, Gustav Stresemann, not yet in office, conceived of a policy which might at once save Germany and unify Europe.

Lord D'Abernon, who was then British ambassador at Berlin, has with some naïveté disclosed the beginning of the "Stresemann policy." He says that Stresemann called on him in 1922 and requested him to put four blunt questions to Lord Curzon, who was then British Foreign Minister.

With some hesitation D'Abernon did so, and, to his surprise, he received frank answers to them, which he transmitted to Stresemann. Thereupon Stresemann set to work with unflagging persistence to found a German policy upon these answers, to attain public office, and as German Minister of Foreign Affairs to put this policy into effect. There is little doubt that these four questions were as follows:

First. If a way could be found for the economic rehabilitation of Europe by means coming from outside Europe, would Britain be willing to see Germany recuperate?

Second. Would Britain restrain France from aggressions against Germany?

Third. If the commercialization of the German reparation bonds outside of Europe could be effected, would Britain accept this as such a means?

Fourth. Would Britain see to it that Germany should receive a substantial share in the proceeds?

Stresemann did not attain office until 1925. The German governments which preceded him fought stubbornly against commercialization of the German reparations. The Dawes plan, effected in 1924, provided for the commercialization of $4,000,000,000 worth of the bonds, but necessary cooperation failed to come from Germany. The international bankers made repeated efforts to obtain the consent of the Coolidge administration to commercialize the bonds here, but relations on the opposite sides of the Rhine were so threatening that their appeals had little force.

The next year, 1925, witnessed the inauguration of the Stresemann policy. Reconciliation in Europe was announced. On board the *Orange Blossom*, floating on the shimmering

waters of Locarno, the personal friends, Stresemann and Briand, reached an understanding for their respective countries. The treaty of Locarno was signed in which France and Germany made peace and Britain agreed impartially to support either party in case of military aggression by the other.

The publicity given this treaty in the United States was thorough and complete. There was not a town or village to which the news was not carried that peace had now come in Europe, and that that continent was bathed in the sunshine of Locarno. With stable peace effected in Europe, why should there be any further hesitation about American investments in European securities?

Evidencing the new accord Germany, a few months later, in September, 1926, was duly admitted to good standing as a member of the League of Nations. Only one step more at the European end of the stage was now needed to bring the Stresemann policies to fruition.

This step was taken immediately after Germany was admitted to the League of Nations. The two personal friends, Stresemann and Briand, met, not unostentatiously, at the rustic inn at Thoiry in the Vosges. Here it was agreed—

First. That Germany would agree to the commercialization of the reparation bonds outside of Europe.

Second. That France would cease the pin-pricking policy, evacuate the Rhine, and agree that Germany should receive a substantial share of the proceeds from commercialization—one-third, as it afterwards became known.

The next year, 1927, Poincaré promised the French people that if he were returned to power the "bankers' plan," which was to put the Thoiry agreement into execution, would be accepted by France. Stresemann continued to mold policy in Germany in accordance with this purpose. The movement had the support of the British Foreign Office.

In September, 1928, the powers met at Geneva and in solemn conclave took measures for the "final and complete settlement of the reparation question" by the method already adopted in the French elections the preceding year. To this end the appointment of a committee of "experts" was provided for in the following December. This was the Young committee, which assembled in February, 1929, and completed its labors the following June, bringing forth the Young plan, which to-day lies at the heart of any discussion of the world-wide depression which is now with us.

So much for the winding course of postwar diplomacy as it disclosed itself on the other side of the Atlantic. It will be seen that this entire conception presupposes the justice, the adequacy, and the permanency of the settlements of the Versailles treaty in their entirety. The part that the United States is to play under the Young plan is to guarantee by its preponderating power the settlements of the Versailles treaty and to dig deeply into its superabundant financial resources to rehabilitate the depleted treasuries of Europe.

But Stresemann has passed away and a new spirit is coming over the German dreams. The sunshine of Locarno was artificially produced and Briand is discredited in France. Last July marked a rapid and profound change in the political scene in Europe. New combinations are forming, of which I will speak later. The Stresemann policy, universally discarded, has vanished almost overnight. Its disappearance coincides with the rejection by the American investing public of the German international 5½ per cent bonds.

Mr. Speaker, let us return to the United States and observe, so far as we can, the impact of these forces from abroad upon our domestic economy.

Simultaneously with the collapse of the Stresemann policy in Europe comes the depression in the United States. When the Young plan was drawn up it was intended that it should go into operation by putting the bonds on sale in the United States not later than November 1, 1929. Their successful flotation, followed by new slices of the loan, would, it was hoped, draw billions out of America's plentiful investment capital into Europe. This would at once give Europe a new purchasing power of billions and stave off its threatening industrial collapse. Languishing trans-Atlantic trade and world trade would revive, production for export in the United States would increase, and the threatening industrial recession here would be checked. The waning confidence of the American public in New York financial leadership would be revived and psychological causes, or in plain words, lack of confidence in financial leadership, would not supervene to cause domestic industrial depression.

But the American investing public have declined to absorb the Young-plan bonds and Europe has abandoned the Stresemann policies. Foreign purchasing power came to an end last year because new loans in America, which would have permitted its continuance, could no longer be made. The fall in investment values took place in the autumn of 1929 and the industrial depression, which is still with us, began.

Mr. Speaker, the liquidation of the war in accordance with the principles of the treaty of Versailles has failed. It is time to discard them and make new adjustments.

Simultaneously with the abdication by Washington of its governmental powers in favor of "economic experts" several years ago it practically abandoned control of the Federal Reserve Bank of New York to the private international financiers. Last February I called attention here to the ambitious policies of that bank, to the frequent visits here of Mr. Montague Norman, governor of the Bank of England, for conferences with the head of that bank, to the advance of a credit of $200,000,000 from the Federal reserve system to the Bank of England, made in 1923.

And right here I desire to digress and call attention to the fact that another one of these conferences has just taken place, when the governor of the Federal Reserve Bank of New York was abroad conferring in London, Paris, and Berlin, with J. P. Morgan, Owen D. Young, and the heads of the various central banks of issue of the countries of the world, and upon their return to New York a meeting was held in the Federal Reserve Bank in New York, where a report was made by Mr. Owen D. Young, Mr. George L. Harrison, and Mr. J. P. Morgan as to the results of their conferences abroad. The public, however, know nothing about the changes that have been decided upon in connection with these various conferences. All we know is the fact that after the other conference held in this country in 1927 a change in the discount policy was made and money was made cheap, which resulted in the shipment out of this country of $500,000,000 worth of gold which, at the same time, released a superabundant amount of credit, which resulted in stimulating the beginning of the stock speculation which ended so disastrously last year.

Since that date it has more and more been the practice of the Federal Reserve Bank of New York to make gold loans to the central banks of Europe and to buy foreign bills on a large scale. The extensions of the powers of this bank have appeared to be a matter of indifference to the Federal Reserve Board in Washington who profess to have but little knowledge of what it is doing.

These loans have all been made to the national banks of the allied governments whose policies have been the integral execution of the provisions of the treaty of Versailles, and the proceeds have been used exclusively to that end. The United States Government has never avowed the policy of upholding the treaty of Versailles. There is a discrepancy here between the financial policy of the Federal Reserve Bank of New York and the policy of the United States Government. The policy of the Federal Reserve Bank of New York has been that of upholding and furthering the Stresemann policy in accordance with the wishes of the "economic experts" to whose control that bank has been abandoned.

This is not as it should be. America's foreign financial policy should be fixed for the Federal reserve banks by the Federal Reserve Board at Washington and not by one of the 12 coordinate Federal reserve banks. And the Federal Reserve Board in Washington should mold its policies in accordance with the foreign policy of the United States Government whose creature the Federal Reserve Board is.

What is the foreign policy of the United States Government at this time? Is it a policy primarily directed to the

maintenance of the national interests, to the protection of the Nation's wealth, and to the conserving of the Nation's strength, or is it a policy of timidity and drift which follows the line of least resistance? In view of its tolerance of the London ultimatum and the Dawes plan, and of the hospitality which it now gives to the Young plan and the World Bank, with the implication which these acts carry of choosing sides in Europe and throwing the support of the United States Government to the integral execution of the treaty of Versailles, while at the same time assuring the public that it is having nothing to do with political quarrels in Europe and takes no interest in German reparations, it is to be questioned whether its policy has been in the interests of the American people and whether it has shown that ingenuous quality which ought to characterize the government of a republic.

At the end of the last session I introduced a bill which is intended to prohibit traffic in German reparation bonds in this country. The Congress should pass this bill as a first step in the establishment of a definite policy. Its passage will prevent any possible revival of the Stresemann policy in some other guise and bring to an end the dangerous financial heresies of the treaty of Versailles.

We must recognize that a 12-year policy for the financial settlement of the war in Europe has failed and has come to an end. It depended for its success upon the rapid shifting of a large part of the American gold stock into Europe. In spite of the weakness of our executive branch we have succeeded in preventing this. But to protect our gold in future, legislation is needed here to guide the Secretary of the Treasury and the Federal Reserve Board in Washington.

We must admit that it has been the veiled support by successive administrations in Washington of allied policies in Europe that has concentrated power in the hands of the French and is now bringing the entire continent into revolt against her military dominance. We must admit, too, that the primary purpose of the French power, which we were supporting, was to rivet the reparations obligation upon Germany so that the Stresemann policy could be carried out and the reparation bonds disposed of in the United States.

Events in Europe since last July indicate clearly that combinations are forming against Anglo-French dominance. Simultaneously with the failure of the German international 5½'s on the American investment market, Mussolini called for a revision of the treaty of Versailles, and led Italy out of the allied ranks. Italy is making alliances with the countries who were defeated in the war, and an Italian-Russian-German understanding is taking form which might become formidable in certain eventualities.

And only yesterday my attention was called to a speech by Mussolini in Italy in which he dealt with the financial and economic depression in the United States, and to a great extent laid the economic and financial troubles of Italy to the stock crash in the United States, and to the development of the plan of mass production in this country which has resulted in creating such enormous surpluses. I was asked to comment upon this, and in this connection I recall that on July 3 last in this House I had something to say on this same question, and also in my remarks in the House last Tuesday I confirmed my previous statement as regards this speculation and mass production and its effect in this country and the whole world.

Reports have recently emanated from Washington to the effect that the State Department has refused to have anything to say in regard to any foreign loans. Only yesterday, at the other end of the Capitol, one of the leading Senators introduced a resolution, and is pressing for action upon it, forbidding the State Department from having anything to say concerning the placing of foreign loans in the United States.

Under these circumstances the chronic weakness of our Executive policy is making itself manifest again. It is obviously being led by Anglo-French suggestion.

By what right has Ambassador Hugh Gibson, sitting in a meeting of the disarmament conference, recently signed this agreement on behalf of the United States:

> The present convention shall not in any way diminish the obligations of previous treaties under which certain of the high contracting parties agreed to limit their military, naval, and air armaments and thus fixed in relation to one another their respective rights and obligations in this convention.

Is this to become a treaty settlement by which the United States compels Germany to remain disarmed?

And along with this come press reports that the United States Government has frowned upon a loan to Italy in order to bring pressure upon that country to follow certain policies.

The tendency of these things, Mr. Speaker, is to draw us into alliance with France and Britain to maintain the status quo of the treaty of Versailles. All the indications point to the fact that unless the treaty of Versailles is radically revised there will be war in Europe. Does the administration contemplate with equanimity the fact that what we are doing to-day will inevitably draw us into that war on the side of the allied States?

It is possible and logical for the United States Government to follow a policy which will keep us out of these entangling alliances, but it is quite obvious that the intervention of the Congress is necessary if this is to be done. The intervention of the Congress is necessary to undo the work of our economic experts in blindly acquiescing in the Stresemann policy, going halfway into the World Court, and accepting the Young plan and the World Bank.

All of these devices were measures to strengthen and bolster the treaty of Versailles and insure French domination of the continent of Europe under the provisions of that treaty. They fall and crumble into dust if the moral support of the United States is not believed to be behind them.

The industrial stagnation in this country to-day is largely due to the distrust of the people in the foreign policy of our Government and in the financial policies of the Federal reserve system. They do not want entangling alliances, but they have seen an increasing tendency toward entangling alliances as the years have passed. They do not want to see their financial system weakened by too great extensions in its commitments abroad, but that is exactly what they fear is happening to-day.

As I said a little while ago, the economic experts have had their turn and they have led us upon the search for a will-o'-the-wisp. They have bogged us deep in the slough of German reparations. Let them return now to their true field of strictly private activities. Let them cease to dream of fixing the foreign policies of the United States. Let us set ourselves to the fixing of fundamental principle and to the formulation of legislation which is made in America and will conserve and safeguard the interests of the American people. [Applause.]

Mr. RAMSEYER. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. RAMSEYER. The gentleman discussed the morality and legality of the Versailles treaty, and I think more and more informed people are taking the view that the gentleman has expressed here. I do not know whether the gentleman remembers a speech on the Versailles treaty made by the late Senator from his own State, Senator Knox, soon after that treaty was laid before the Senate, in which he analyzed the treaty very carefully and came to the conclusion that the treaty would not maintain peace, but on the other hand would provoke wars.

Now, as to the worthlessness of these reparation bonds, I have grave doubts myself as to the advisability of Americans investing in those foreign bonds. It is true that since the war we have lent each year a great deal of money to Europe, something around $1,000,000,000 annually, is it not?

Mr. McFADDEN. It is a total of more than they have paid on the war debts.

Mr. RAMSEYER. Yes; at any rate we have lent each year more to Europe than the balance of trade in our favor amounted to; is not that true?

Mr. McFADDEN. The records of that show.

Mr. RAMSEYER. And that has helped stimulate our trade and helped a great deal in keeping up the prosperity in this country and in the world that we enjoyed during

that period, and undoubtedly our failure last year to continue making loans in the same volume had something to do with bringing about this world depression. That is the gentleman's view, is it not?

Mr. McFADDEN. And the loss of money by foreigners in the New York stock market.

Mr. RAMSEYER. The two combined. Now, the gentleman stated at some place in his address that the Versailles treaty and the other settlements had to be scrapped and something else substituted for them, and I thought the gentleman was going to discuss what should be substituted. I listened for that very carefully. If the gentleman said anything in that connection to convey the idea there was something he wanted to substitute, I did not get it. Does the gentleman care to elaborate on that phrase?

Mr. McFADDEN. I did not make such a suggestion, because that will only come after conferences between the interested parties, when a plan will be worked out that will more appropriately fit the case than does the carrying out of the now obsolete Stresemann policies, evidenced by the treaty of Versailles and subsequent Dawes and Young plans.

Mr. RAMSEYER. Is it the gentleman's opinion that before we can get peace in the world and restore prosperity in the world, we have to scrap the Versailles treaty and the Young plan and substitute something else in the place of them?

Mr. McFADDEN. I do not think we will get a proper solution of this whole matter in Europe until we go back to the very foundation.

If the foundation is faulty, you can not build a safe structure on top of it.

Mr. RAMSEYER. What is the foundation, the Versailles treaty?

Mr. McFADDEN. The Versailles treaty. [Applause.]

RECESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the House may stand in recess, subject to the call of the Speaker, and that the Speaker may cause the ringing of the quorum bell 15 minutes before he calls the House to order.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the House stand in recess, subject to the call of the Speaker, the Speaker to cause the ringing of the quorum bell 15 minutes before he calls the House to order. Is there objection?

Mr. GARNER. Will not the gentleman from Connecticut state what the prospects are for a recess?

Mr. TILSON. I can only state that if we adjourn now there will be no recess until next week. I am informed that there is a possibility that the Senate may consent to a recess to-day.

Mr. GARNER. It is a possibility and not a probability?

Mr. TILSON. If we adjourn now, however, there would be no possibility of a recess before next Monday.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Accordingly (at 2 o'clock and 45 minutes p. m.) the House stood in recess, at the call of the Speaker.

AFTER THE RECESS

The recess having expired the House was called to order by the Speaker at 11.58 p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 15359. An act making an additional appropriation to carry out the provisions of the agricultural marketing act, approved June 15, 1929.

The message also announced that the Senate had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14246) entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes."

The message also announced that the Senate had passed the following concurrent resolution:

Senate Concurrent Resolution 35

Resolved by the Senate (the House of Representatives concurring) that when the two Houses of Congress adjourn on the legislative day of Saturday, December 20, 1930, they stand adjourned until 12 o'clock meridian, Monday, January 5, 1931.

CHRISTMAS HOLIDAY RECESS

Mr. TILSON. Mr. Speaker, I call up the Senate concurrent resolution just messaged over from the Senate.

The SPEAKER. The gentleman from Connecticut calls up a Senate concurrent resolution, which the Clerk will report.

The Clerk read as follows:

Senate Concurrent Resolution 35

Resolved by the Senate (the House of Representatives concurring), That when the two Houses of Congress adjourn on the legislative day of Saturday, December 20, 1930, they stand adjourned until 12 o'clock meridian, Monday, January 5, 1931.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 14804. An act making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment;

H. R. 15359. An act making an additional appropriation to carry out the provisions of the agricultural marketing act, approved June 15, 1929; and

H. J. Res. 253. Joint resolution to provide for the expenses of a delegation of the United States to the sixth meeting of the Congress of Military Medicine and Pharmacy to be held at Budapest in 1931.

The SPEAKER also announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 211. Joint resolution for the relief of farmers in the drought and/or storm stricken areas of the United States.

BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval a bill and joint resolutions of the House of the following titles:

H. R. 14804. An act making supplemental appropriations to provide for emergency construction on certain public works during the remainder of the fiscal year ending June 30, 1931, with a view to increasing employment;

H. J. Res. 253. Joint resolution to provide for the expenses of a delegation of the United States to the sixth meeting of the Congress of Military Medicine and Pharmacy, to be held at Budapest in 1931; and

H. J. Res. 444. Joint resolution making an appropriation to supply a deficiency in the appropriation for the fiscal year 1931 for expenses of special and select committees of the House of Representatives.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, wishing everybody a Merry Christmas and a Happy New Year, I move that the House do now adjourn.

The SPEAKER. The gentleman from Connecticut moves that the House do now adjourn. May the occupant of the chair, before putting that motion, also wish to every Member, not only here present but every Member of the House, a joyous Christmas and a most happy and prosperous New Year.

The question is on agreeing to the motion.

The motion was agreed to; accordingly, in accordance with the concurrent resolution (at 12 o'clock midnight) the House adjourned until Monday, January 5, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

744. A communication from the President of the United States, transmitting amendments of the Budget for the fiscal year ending June 30, 1932, increasing by $615,000 the estimate of appropriation, under the War Department, for pay of the Army, and decreasing in a like amount the estimate of appropriation of subsistence of the Army (H. Doc. No. 699); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BEEDY: Committee on Elections No. 1. H. Res. 326. A resolution relative to the contested-election case of Ralph E. Updike *v.* Louis Ludlow; without amendment (Rept. No. 2139). Referred to the House Calendar.

Mr. LEHLBACH: Select Committee to Investigate Congressional Elections. A report of the activities of the committee in connection with the election of 1930; without amendment (Rept. No. 2140). Referred to the House Calendar.

Mr. COOPER of Wisconsin: Committee on Interstate and Foreign Commerce. S. 4665. An act extending the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, Tyler County, W. Va.; with amendment (Rept. No. 2141). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 12966. A bill authorizing H. C. Brenner Realty & Finance Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.; with amendment (Rept. No. 2142). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13514. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Red River at or near Moncla, in the Parish of Avoyelles, La.; with amendment (Rept. No. 2143). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13515. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Red River at or near Alexandria, in the parish of Rapides, La.; with amendment (Rept. No. 2144). Referred to the House Calendar.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 13516. A bill to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River between the cities of Albany and Rensselaer, N. Y.; with amendment (Rep. No. 2145). Referred to the House Calendar.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 13517. A bill to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River at the southerly extremity of the city of Troy, N. Y.; with amendment (Rept. No. 2146). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13525. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Atchafalaya River at or near Krotz Springs, La.; without amendment (Rept. No. 2147). Referred to the House Calendar.

Mr. BECK: Committee on Interstate and Foreign Commerce. H. R. 13526. A bill to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.; without amendment (Rept. No. 2148). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13532. A bill to extend the time for the construction of a bridge across the Rio Grande at or near San Benito, Tex.; without amendment (Rept. No. 2149). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13533. A bill to extend the time for the construction of the bridge across the Rio Grande at or near Rio Grande City, Tex.; with amendment (Rept. No. 2150). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 13536. A bill to extend the time for completing the construction of a bridge across the Delaware River near Trenton, N. J.; with amendment (Rept. No. 2151). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13537. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Harrisonburg, La.; with amendment (Rept. No. 2152). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13538. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Monroe, La.; with amendment (Rept. No. 2153). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13539. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Black River at or near Jonesville, La.; with amendment (Rept. No. 2154). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13540. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Sterlington, La.; without amendment (Rept. No. 2155). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13572. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Atchafalaya River at or near Morgan City, La.; with amendment (Rept. No. 2156). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13585. A bill granting the consent of Congress to the Louisiana State Highway Commission to construct, maintain, and operate a free highway bridge across the Red River at or near Shreveport, La.; without amendment (Rept. No. 2157.) Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13586. A bill granting the consent of Congress to the Louisiana State Highway Commission to construct, maintain, and operate a free highway bridge across the Red River at or near Coushatta, La.; with amendment (Rept. No. 2158). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 14051. A bill to grant the consent of Congress to the Highway Department of the State of Tennessee to construct and maintain a bridge across the Elk River on the Fayetteville-Winchester road near the town of Kelso, in Lincoln County, Tenn.; with amendment (Rept. No. 2159). Referred to the House Calendar.

Mr. COOPER of Wisconsin: Committee on Interstate and Foreign Commerce. H. R. 14264. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the city of Warren, in the State of Ohio, its successors and assigns, to construct, maintain, and operate a dam across the Mahoning River, in the State of Ohio," approved September 22, 1922; without amendment (Rept. No. 2160). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 14276. A bill to extend the times for commencing and completing the construction of a bridge across the Tennessee River on the Dayton-Decatur Road between Rhea and Meigs Counties, Tenn.; without amendment (Rept. No. 2161). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 14446. A bill to extend the time for completing the construction of a bridge across the Mississippi River at or near the city of Prairie du Chien, Wis.; without amendment (Rept. No. 2162). Referred to the House Calendar.

Mr. PARKER: Committee on Interstate and Foreign Commerce. H. R. 14452. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.; with amendment (Rept. No. 2163). Referred to the House Calendar.

Mr. COOPER of Ohio. Committee on Interstate and Foreign Commerce. H. R. 14558. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near New Martinsville, W. Va.; with amendment (Rept. No. 2164). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 14676. A bill to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Arlington, Oreg.; with amendment (Rept. No. 2165). Referred to the House Calendar.

Mr. JOHNSON of Indiana: Committee on Interstate and Foreign Commerce. H. R. 14681. A bill granting the consent of Congress to the Pittsburgh, Fort Wayne & Chicago Railway Co., its successors and assigns, to construct, maintain, and operate a railroad bridge across the Kankakee River; with amendment (Rept. No. 2166). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14689. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at Cairo, Ill.; with amendment (Rept. No. 2167). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 15138. A bill granting the consent of Congress to the State highway commission and the board of supervisors of Itawamba County, Miss., to construct a bridge across Tombigbee River; with amendment (Rept. No. 2168). Referred to the House Calendar.

Mr. SMITH of Idaho: Committee on Irrigation and Reclamation. S. 4123. An act to provide for the aiding of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; with amendment (Rept. No. 2169). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. RAMSPECK: Committee on Claims. H. R. 3192. A bill for the relief of Joseph A. McCarthy; with amendment (Rept. No. 2127). Referred to the Committee of the Whole House.

Mr. FITZGERALD: Committee on Claims. H. R. 6072. A bill for the relief of C. H. Hoogendorn; with amendment (Rept. No. 2128). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 7527. A bill for the relief of the owners of the steamship *Exmoor*; with amendment (Rept. No. 2129). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 9164. A bill for the relief of Werner Czwartkovski; with amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

Mr. KINZER: Committee on Claims. H. R. 9392. A bill for the relief of Barney Rieke; without amendment (Rept. No. 2131). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 10761. A bill for the relief of Julia Kerr O'Bleness; with amendment (Rept. No. 2132). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 11594. A bill to amend an act for the relief of Augusta Cornog, approved May 29, 1929; with amendment (Rept. No. 2133). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 12247. A bill to authorize credit in the disbursing accounts of certain officers of the Army of the United States; without amendment (Rept. No. 2134). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 12398. A bill for the relief of Thomas G. Hayes; without amendment (Rept. No. 2135). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 12906. A bill to reimburse the Ransom & Randolph Co., of Toledo, Ohio, for supplies furnished the Veterans' Bureau during the fiscal years 1922, 1923, and 1924; without amendment (Rept. No. 2136). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 14507. A bill for the relief of Mildred N. O'Lone; without amendment (Rept. No. 2137). Referred to the Committee of the Whole House.

Mr. ROWBOTTOM: Committee on Claims. H. R. 1887. A bill for the relief of George C. Mansfield Co. and George D. Mansfield; without amendment (Rept. No. 2138). Referred to the Committee of the Whole House.

Mr. SPEAKS: Committee on Military Affairs. H. R. 9886. A bill for the relief of John P. Smith, deceased; without amendment (Rept. No. 2170). Referred to the Committee of the Whole House.

Mr. SMITH of Idaho: Committee on the Public Lands. H. R. 14414. A bill for the relief of Seymour Fairchild; without amendment (Rept. No. 2171). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGLAS of Arizona: A bill (H. R. 15549) to suspend the requirements of annual assessment work on mining claims during the assessment years 1931 and 1932; to the Committee on Mines and Mining.

By Mr. EVANS of Montana: A bill (H. R. 15550) to suspend the requirements of annual assessment work on mining claims during the assessment years 1931 and 1932; to the Committee on Mines and Mining.

By Mr. HILL of Alabama: A bill (H. R. 15551) authorizing a preliminary examination and survey for a canal to connect Bon Secour Bay and Oyster Bay, Ala., and the Gulf of Mexico; to the Committee on Rivers and Harbors.

By Mr. DYER: A bill (H. R. 15552) to abolish the authority to transfer certain forfeited vessels and vehicles to the Treasury Department and the Department of Justice; to the Committee on the Judiciary.

By Mr. JONES of Texas: A bill (H. R. 15553) to provide for the issuance of agricultural export debentures; to the Committee on Agriculture.

By Mr. EVANS of Montana: A bill (H. R. 15554) to excuse certain persons from residence upon homestead lands during 1929 and 1930 in the drought-stricken areas; to the Committee on the Public Lands.

By Mr. SWANSON: A bill (H. R. 15588) to require the designation of agents for the service of process in suits against joint-stock land banks; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 15555) granting an award of compensation under the United States employees' compensation act to Turner A. Dulaney; to the Committee on Claims.

By Mr. ANDRESEN: A bill (H. R. 15556) granting a pension to Barton V. Yates; to the Committee on Pensions.

Also, a bill (H. R. 15557) granting an increase of pension to Harriet A. Weeks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15558) granting an increase of pension to Sibyl A. Rowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15559) granting an increase of pension to Sarah Buley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15560) granting a pension to Mary L. Radel; to the Committee on Pensions.

By Mr. ARNOLD: A bill (H. R. 15561) granting an increase of pension to Matilda J. Hensley; to the Committee on Invalid Pensions.

By Mr. CHASE: A bill (H. R. 15562) granting an increase of pension to Edna M. Garrity; to the Committee on Pensions.

By Mr. DAVIS: A bill (H. R. 15563) to compensate Grace Venable; to the Committee on Foreign Affairs.

By Mr. EVANS of Montana: A bill (H. R. 15564) granting an increase of pension to Anthony L. Barnabo; to the Committee on Pensions.

By Mr. FREE: A bill (H. R. 15565) for the relief of Addie I. Tryon and Lorin H. Tryon; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 15566) to extend the benefits of the employees' compensation act of September 7, 1916, to Robert Goutrain, a former employee of the Coast Guard depot, Curtis Bay, Md.; to the Committee on Claims.

By Mr. HALSEY: A bill (H. R. 15567) granting a pension to Ida M. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15568) granting a pension to Annie May Bartlett; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 15569) granting an increase of pension to Alma Gardner (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. IRWIN: A bill (H. R. 15570) for the relief of William H. Becker; to the Committee on Military Affairs.

By Mr. JOHNSON of Indiana: A bill (H. R. 15571) granting a pension to Lela Mae Gott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15572) granting a pension to Rachael Monday; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15573) granting an increase of pension to Mary E. Hamilton; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Nebraska: A bill (H. R. 15574) granting an increase of pension to Mary Jacobson; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 15575) granting an increase of pension to Minerva S. Quigley; to the Committee on Invalid Pensions.

By Mr. MENGES: A bill (H. R. 15576) granting a pension to Israel E. Smith; to the Committee on Invalid Pensions.

By Mr. NIEDRINGHAUS: A bill (H. R. 15577) for the relief of George Voeltz; to the Committee on Claims.

Also, a bill (H. R. 15578) for the relief of Ashley C. McKinley; to the Committee on Military Affairs.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 15579) granting an increase of pension to Katie F. Finch; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 15580) granting an increase of pension to Sarah E. MacGowan; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 15581) granting an increase of pension to Elizabeth Sutton; to the Committee on Invalid Pensions.

By Mr. STOBBS: A bill (H. R. 15582) granting an increase of pension to Maria E. Bangs; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 15583) for the relief of Karl J. Howe; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15584) for the relief of Clark Scott; to the Committee on Claims.

Also, a bill (H. R. 15585) granting a pension to Cinda Puckett; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 15586) granting an increase of pension to Fanny A. Whipple; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 15587) for the relief of William T. Cain; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8328. By Mr. FITZPATRICK: Petition of the Bronx Chamber of Commerce urging Congress to support the President in bringing about relief under present labor conditions; to the Committee on the Judiciary.

8329. By Mr. HILL of Washington: Petition of Mrs. William Meikle and other citizens of Wenatchee and Cashmere, Wash., praying for the passage of legislation for the Federal supervision of motion pictures with the purpose of establishing higher moral standards of production; to the Committee on Interstate and Foreign Commerce.

8330. Also, petitions of Mrs. B. B. Tabor and other citizens of Spokane, Wash., praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8331. By Mr. HOOPER: Evidence in support of House bill 15455, granting a pension to Maude Holmes; to the Committee on Invalid Pensions.

8332. By Mr. MURPHY: Petition signed by John R. Vaughn and 13 other World War veterans of Sherrodsville, Ohio, asking that Congress pass the necessary legislation which will convert to cash the adjusted-service certificates now held by veterans; to the Committee on Ways and Means.

8333. By Mr. O'CONNOR of Oklahoma: Petition of J. E. Cooper and 53 other veterans of Jay, Okla., praying Congress to make payment of the World War veterans' adjusted-service certificates before the Christmas recess; to the Committee on Ways and Means.

8334. Also, petition of Ray O. Austin and 31 other veterans of the World War, praying Congress to make immediate payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

8335. Also, resolution signed by D. L. Owsley, secretary of the Independent Oil Operators of Oklahoma, petitioning Congress to pass an adequate protective tariff on imported petroleum and its refined by-products; to the Committee on Ways and Means.

8336. By Mr. WYANT: Petition of members of Joseph H. Ford Post, No. 618, the American Legion, Monessen, Pa., urging support of legislation in behalf of ex-service men and their dependents especially asking support of bill asking payment of adjusted-service certificates during 1931; to the Committee on Ways and Means.

8337. Also, petition of Pride of the Valley Council, No. 105, Junior Order United American Mechanics, of New Kensington, Pa., soliciting support of soldiers' bonus bill and the immigration bill; to the Committee on Ways and Means.

8338. Also, petition of Pennsylvania State Chapter, American War Mothers, favoring a new hospital at League Island, Philadelphia, Pa.; to the Committee on Naval Affairs.

8339. Also, petition of Chamber of Commerce of Jeannette, Pa., protesting against increased postal rates; to the Committee on the Post Office and Post Roads.

8340. Also, petition of Pennsylvania State Chapter, American War Mothers, urging bill for increasing size of new hospital at Coatesville, Pa.; to the Committee on World War Veterans' Legislation.